

**Bill Barrett Corporation****RECEIVED****JUL 06 2004**

DIV. OF OIL, GAS & MINING

July 2, 2004

Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

ATTENTION: Mr. Eric Jones, Petroleum Engineer

RE: Application for Permit to Drill – Bill Barrett Corporation
Jack Canyon Unit Federal 15-19-12-16, SW/4 SE/4 660' FSL x 1,980' FEL
Section 19, Township 12 South, Range 16 East, SLB&M, Carbon County, Utah

Dear Mr. Jones:

Bill Barrett Corporation respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" – Survey plats, layouts and photos of the proposed well site;

Exhibit "B" – Proposed location maps with access and utility corridors;

Exhibit "C" – Production site layout;

Exhibit "D" – Drilling Plan;

Exhibit "E" – Casing design sheets, cementing recommendations, BOP and Choke Manifold diagram

Exhibit "F" – Surface Use Plan;

1099 18TH STREET
SUITE 2300
DENVER, CO 80202
P 303.293.9100
F 303.291.0420

Bureau of Land Management
Moab Field Office
Page Two

Please accept this letter as BBC's written request for CONFIDENTIAL treatment of all information contained in and pertaining to this application. Thank you in advance for your timely consideration of this application. Please feel free to contact me at (303) 3123-8120 if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Debra K. Stanberry', with a large, looping flourish at the end.

Debra K. Stanberry
Permit Specialist

Enclosures

cc: Bureau of Land Management
Price Field Office
125 South 600 West
Price, Utah 84078
Attention: Mr. Don Stephens

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801
Attention: Ms. Diana Whitney

001

Form 3160-3
(April 2004)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR REENTER

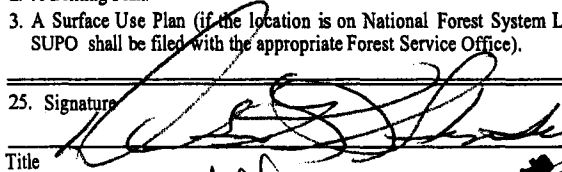

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU 65486
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name n/a
2. Name of Operator BILL BARRETT CORPORATION		7. If Unit or CA Agreement, Name and No. JACK CANYON UNIT
3a. Address 1099 18th Street, Suite 2300 Denver CO 80202		8. Lease Name and Well No. Jack Canyon Unit Fed #15-19-12-16
3b. Phone No. (include area code) (303) 312-8120		9. API Well No. pending 43-007-30984
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SW/4 SE/4 660' FSL x 1980' FEL 39.75392 At proposed prod. zone same 571637X 4400570Y - 110.14378		10. Field and Pool, or Exploratory Jack Canyon Unit Mesaverde wildcat
11. Sec., T. R. M. or Blk. and Survey or Area Section 19-T12S-R16E S.L.B.&M.		12. County or Parish Carbon
13. State UT		14. Distance in miles and direction from nearest town or post office* approximately 40 miles northeast of Wellington, Utah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of acres in lease 1955.22	17. Spacing Unit dedicated to this well 160 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. n/a	19. Proposed Depth 8500'	20. BLM/BIA Bond No. on file Nationwide Bond #WYB000040
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6945' ungraded ground	22. Approximate date work will start* 09/15/2004	23. Estimated duration 60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|--|--|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

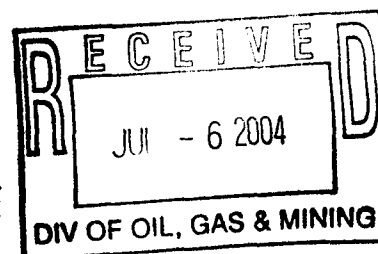
25. Signature 	Name (Printed/Typed) Debra K. Stanberry	Date 07/02/2004
Title Permit Specialist		
Approved by Signature 	Name (Printed/Typed) BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III	Date 07-14-04
Title 		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONFIDENTIAL



R
15
E

R
16
E

T12S, R16E, S.L.B.&M.

S89°50'E 5241.72' (G.L.O.)

SOUTH 5280.00' (G.L.O.)

5280' (G.L.O.)

LOT 1

LOT 2

LOT 3

19

JACK CANYON UNIT
FEDERAL #15-19-12-16

Elev. Ungraded Ground = 6945'

LOT 4

Brass Cap

S89°52'E 2604.36' (G.L.O.)

N89°59'18"W - 2645.66' (Meas.) Brass Cap

NOTE:

THE PROPOSED WELL HEAD BEARS N45°11'23"E 935.96'
FROM THE SOUTH 1/4 CORNER OF SECTION 19, T12S,
R16E, S.L.B.&M.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 39°45'14.21" (39.753947)

LONGITUDE = 110°09'52.10" (110.164472)

BILL BARRETT CORPORATION

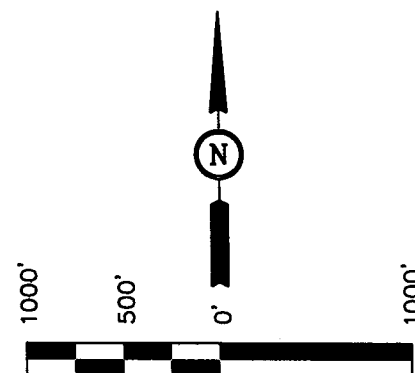
Well location, JACK CANYON UNIT FEDERAL
#15-19-12-16, located as shown in the SW 1/4
SE 1/4 of Section 19, T12S, R16E, S.L.B.&M.,
Carbon County, Utah.

BASIS OF ELEVATION

TRIANGULATION STA. COTTON LOCATED IN THE NW 1/4 OF
SECTION 31, T12S, R16E, S.L.B.&M. TAKEN FROM THE TWIN
HOLLOW QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE
QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID
ELEVATION IS MARKED AS BEING 7368 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. KEY

REGISTERED LAND SURVEYOR
REGISTRATION NO. 3174
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-02-04	DATE DRAWN: 02-03-04
PARTY D.K. L.M. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE BILL BARRETT CORPORATION	

Well name:	Utah Nine Mile
Operator:	Bill Barrett Corporation
String type:	Surface
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 60 °F
Bottom hole temperature: 74 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft
Minimum Drift: 8.750 in
Cement top: Surface

Burst

Max anticipated surface pressure: 2,735 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,955 psi

Annular backup: 9.50 ppg

Tension:

8 Round STC: 1.60 (J)
8 Round LTC: 1.60 (J)
Buttress: 1.60 (J)
Premium: 1.60 (J)
Body yield: 1.60 (B)

Tension is based on buoyed weight.
Neutral point: 859 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 10,000 ft
Next mud weight: 9.500 ppg
Next setting BHP: 4,935 psi
Fracture mud wt: 10.000 ppg
Fracture depth: 10,000 ft
Injection pressure: 5,195 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (USD)
1	1000	9.625	36.00	J-55	ST&C	1000	1000	8.796	0
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	493	2020	4.094	2735	3613	1.32	31	453	14.64 J

Prepared by: Troy Schindler
Bill Barrett

Phone: (303) 312-8156
FAX: (303) 312-8195

Date: March 25, 2003
Denver, Colorado

Remarks:

Collapse is based on a vertical depth of 1000 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

In addition, burst strength is biaxially adjusted for tension.

Well name:	Utah Nine Mile
Operator:	Bill Barrett Corporation
String type:	Production: Frac
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 6,000 psi
Internal gradient: 0.023 psi/ft
Calculated BHP: 6,234 psi

Annular backup: 9.50 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.20

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.80 (J)
Premium: 1.80 (J)
Body yield: 1.80 (B)

Tension is based on buoyed weight.
Neutral point: 8,559 ft

Environment:

H2S considered? No
Surface temperature: 60 °F
Bottom hole temperature: 200 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 0,000 ft
Minimum Drift: 4.750 in
Cement top: 2,375 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (USD)
1	10000	5.5	17.00	N-80	LT&C	10000	10000	4.767	0
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4935	6290	1.275	6000	8758	1.46	146	348	2.39 J

Prepared Troy Schindler
by: Bill Barrett

Phone: (303) 312-8156
FAX: (303) 312-8195

Date: March 25, 2003
Denver, Colorado

Remarks:

Collapse is based on a vertical depth of 10000 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

In addition, burst strength is biaxially adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

HALLIBURTON

Job Recommendation

Surface Casing

Fluid Instructions

Fluid 1: Water Spacer

Water Spacer w/Gel

Fluid Density: 8.50 lbm/gal

Fluid Volume: 20 bbl

Fluid 2: Lead Cement - (700 - 0')

Halliburton Light Premium, 6% gel standard

2 % Calcium Chloride (Accelerator)

0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

Fluid Weight 12.7 lbm/gal

Slurry Yield: 1.85 ft³/sk

Total Mixing Fluid: 9.90 Gal/sk

Top of Fluid: 0 ft

Calculated Fill: 700 ft

Volume: 78.09 bbl

Calculated Sacks: 237.01 sks

Proposed Sacks: 240 sks

Fluid 3: Primary Cement - (TD - 700')

Premium Cement

94 lbm/sk Premium Cement (Cement-api)

2 % Calcium Chloride (Accelerator)

0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

Fluid Weight 15.8 lbm/gal

Slurry Yield: 1.16 ft³/sk

Total Mixing Fluid: 4.97 Gal/sk

Top of Fluid: 700 ft

Calculated Fill: 300 ft

Volume: 36.56 bbl

Calculated Sacks: 176.81 sks

Proposed Sacks: 180 sks

HALLIBURTON

Job Recommendation

Production Casing

Fluid Instructions

Fluid 1: Water Spacer
Water Spacer

Fluid Density: 8.40 lbm/gal
Fluid Volume: 5 bbl

Fluid 2: Reactive Spacer
SUPER FLUSH 101

Fluid Density: 10 lbm/gal
Fluid Volume: 20 bbl

Fluid 3: Water Spacer
Water Spacer

Fluid Density: 8.40 lbm/gal
Fluid Volume: 5 bbl

Fluid 4: Primary Cement - (TD - 2500')

50/50 Poz Premium, 2% gel standard

3 % KCL (Additive Material)

0.75 % Halad(R)-322 (Low Fluid Loss Control)

3 lbm/sk Silicalite Compacted (Light Weight Additive)

0.2 % FWCA (Free Water Control)

0.125 lbm/sk Poly-E-Flake (Lost Circulation Additive)

1 lbm/sk Granulite TR 1/4 (Lost Circulation Additive)

Fluid Weight 13.40 lbm/gal

Slurry Yield: 1.49 ft³/sk

Total Mixing Fluid: 7.06 Gal/sk

Top of Fluid: 2500 ft

Calculated Fill: 7500 ft

Volume: 290.22 bbl

Calculated Sacks: 1093.61 sks

Proposed Sacks: 1095 sks

SURFACE USE PLAN
BILL BARRETT CORPORATION
Jack Canyon Unit Federal 15-19-12-16
Surface location: 660' FSL 1980' FEL, Section 19, T. 12 S., R. 16 E., .S.L.B. &M.
Carbon County, Utah

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

The onsite inspections for this well were conducted May 4, 2004.

1. **Existing Roads:**

- A. The proposed well site is located approximately 40 miles northeast of Wellington, Utah.
- B. Maps reflecting directions to the proposed well site have been attached at the end of Exhibit B.
- C. The use of roads under State and County Road Department maintenance is necessary to access the Jack Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- D. All existing roads will be maintained and kept in good repair during all phases of operation.
- E. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- F. Since no improvements are anticipated to the State, County or BLM access roads, no topsoil stripping will occur.
- G. An off-lease federal Right-of-Way for the access road and utility corridor is not anticipated at this time since existing roads are being utilized into the Jack Canyon Unit area.

2. **Planned Access Roads:**

- A. Approximately 5 and one-third miles of the existing two-track to this well site will need to be upgraded. In addition to this upgrade, beginning at this existing road and traveling basically due north, approximately 2600' of new access road will need to be built to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- B. The proposed access road will consist of a 16' travel surface within a 32' disturbed area.

Bill Barrett Corporation
Surface Use Plan
Jack Canyon Unit Federal 15-19-12-16
Carbon County, Utah
Page Two

- C. BLM approval to construct and utilize this proposed road is requested with this application.
- D. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- E. No turnouts are proposed since the access road is only approximately one-half mile in length and adequate site distance exists in all directions.
- F. Culvert(s) will be installed as necessary. Adequate drainage structures will be incorporated into the remainder of the road.
- G. No surfacing material will come from federal or Indian lands.
- H. No gates or cattle guards are anticipated at this time.
- I. Surface disturbance and vehicular travel will be limited to the approved location access road.
- J. All access road and surface disturbing activities are within the Jack Canyon Unit and will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development (1989).
- K. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- A. Following is a list of existing wells within a one-mile radius of the proposed well:

i.	water wells	none
ii.	injection wells	none
iii.	disposal wells	none
iv.	drilling wells	none
v.	temp shut-in wells	none
vi.	producing wells	none
vii.	abandoned wells	none
- B. Exhibit B has a map reflecting no wells within a one-mile radius of the proposed well.

4. Location of Production Facilities:

- A. All permanent structures will be painted a flat, non-reflective Olive Black to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (SHA) may be excluded.
- B. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- C. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- D. A tank battery will be constructed on this lease; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- E. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- F. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- G. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- H. A gas pipeline is associated with this application and is being applied for under separate cover, ROW UTU 59970. Approximately 100 feet of 4" steel pipeline would be laid on the surface to come off this well pad and tie into ROW UTU 59970.

5. Location and Type of Water Supply:

- A. Bill Barrett Corporation will utilize an existing water well located in Cottonwood Canyon on State Lands: Section 32-T12S-R16E; BBC was granted this authorization by SITLA Right of Entry #4534 (Water Right #90-1542) on August 21, 2002.

6. Source of Construction Material:

- A. The use of materials will conform to 43 CFR 3610.2-3.
- B. No construction materials will be removed from BLM.
- C. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- A. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- B. Drill cuttings will be contained and buried on site.
- C. The reserve pit will be located outboard of the location and along the west side of the pad.
- D. The reserve pit will be constructed so as not to leak, break or allow any discharge.
- E. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt-liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operations.
- F. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- G. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of annually in association with the drilling, testing or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported or disposed of in association with the drilling, testing or completion of the well.
- H. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Carbon or Uintah County Landfill.

- I. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- J. After initial clean-up a 400 barrel tank will be installed to contain produced waste water.
- K. After first production, produced wastewater will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. Thereafter, produced water will be trucked to R & I Disposal, a State approved disposal facility.
- L. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- M. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Price or Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- A. Garbage containers and portable toilets are the only ancillary facilities proposed in this application

9. Well Site Layout:

- A. The well will be properly identified in accordance with 43 CFR 3162.6.
- B. Access to the well pad will be from the south.
- C. The pad and road designs are consistent with BLM specifications.
- D. The pad has been staked at its maximum size of 350' x 160'; however, it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a Sundry Notice.
- E. All surface disturbing activities will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.

- F. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- G. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
- H. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- I. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- J. Pits will remain fenced until site cleanup.
- K. The blooie line will be located at least 100 feet from the well head.
- L. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plan for Restoration of the Surface:

- A. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- B. The operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate county extension office. On BLM administered land it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- C. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to their approximate natural contours.

- D. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top-soiled and revegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- E. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- A. Surface ownership – Federal under the management of the Bureau of Land Management – Price Field Office, 125 South 600 West, Price Utah 84078; (435) 636-3608.
- B. Mineral ownership – Federal under the management of the Bureau of Land Management – Price Field Office, 125 South 600 West, Price Utah 84078; (435) 636-3608.

12. Other Information:

- A. Montgomery Archaeological Consultants have conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Montgomery as MOAC Report No. 03-240 dated April 16, 2004.
- B. Our understanding of the results of the onsite inspection are:
 - a. No threatened and endangered flora and fauna species were found during the onsite inspection.
 - b. No drainage crossings that required additional State or Federal approval are being crossed.

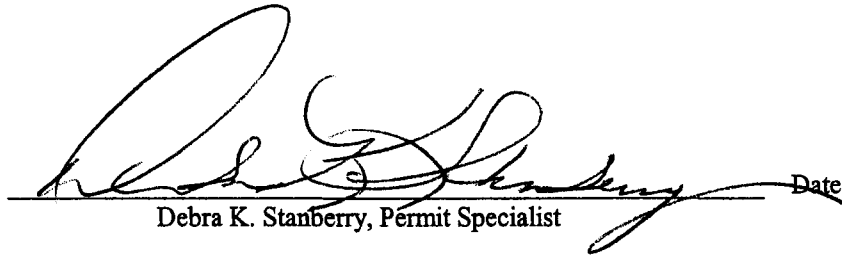
13. Operator's Representative and Certification:

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Fred Goodrich	(435) 725-3515
Company Representative (Denver)	Debra K. Stanberry	(303) 312-8120

Bill Barrett Corporation
Surface Use Plan
Jack Canyon Unit Federal 15-19-12-16
Carbon County, Utah
Page Eight

Certification:

I hereby certify that the statements made in this plan are, to the best of my knowledge and belief, true and correct; and that the work associated with the operations proposed herein will be performed by Bill Barrett Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.


Debra K. Stanberry, Permit Specialist

Date: July 2, 2004

HAZARDOUS MATERIAL DECLARATION

FOR WELL NO. JACK CANYON UNIT FEDERAL 15-19-12-16 LEASE NO. UTU 65486

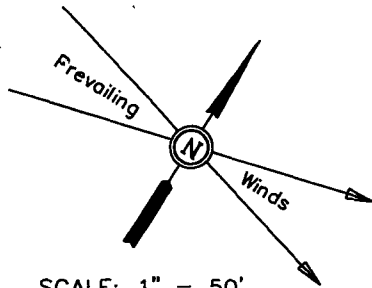
Bill Barrett Corporation guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

Bill Barrett Corporation guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.

BILL BARRETT CORPORATION

LOCATION LAYOUT FOR

JACK CANYON UNIT FEDERAL #15-19-12-16
SECTION 19, T12S, R16E, S.L.B.&M.
660' FSL 1980' FEL



SCALE: 1" = 50'
DATE: 02-03-04
DRAWN BY: D.COX

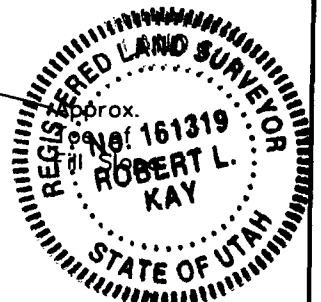
C-2.1'
El. 45.1'

Approx.
Top of
Cut Slope

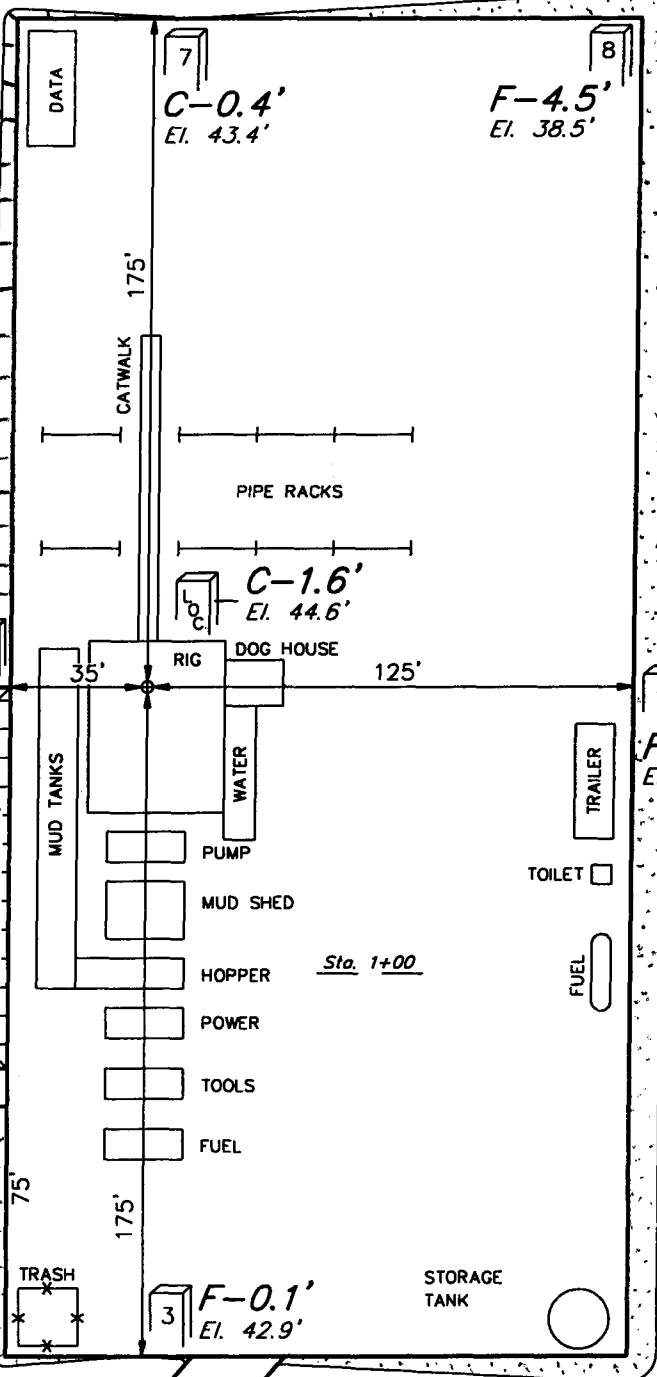
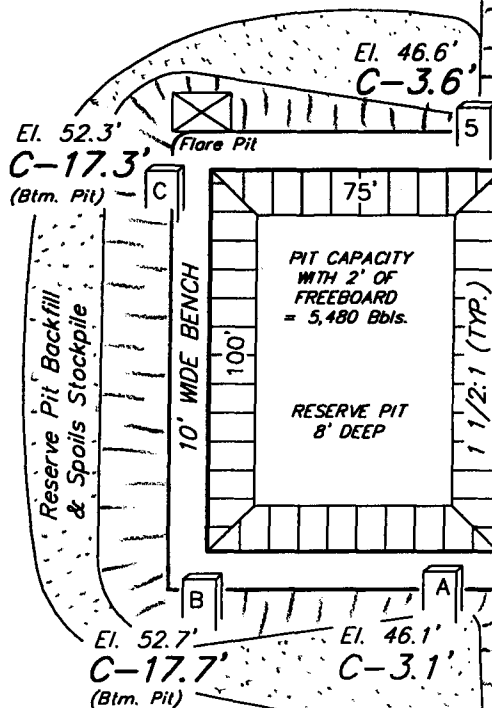
Topsoil Stockpile

NOTE:
Flare Pit is to
be located a min.
of 100' from the
Well Head.

Sta. 3+50



[Signature]



Sta. 1+75

F-4.7' El. 38.3'

Sta. 1+00

Sta. 0+00

C-1.6' El. 44.6'

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 6944.6'
Elev. Graded Ground at Location Stake = 6943.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

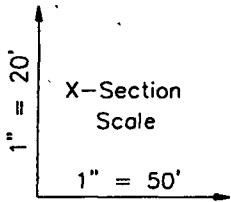
BILL BARRETT CORPORATION

TYPICAL CROSS SECTIONS FOR

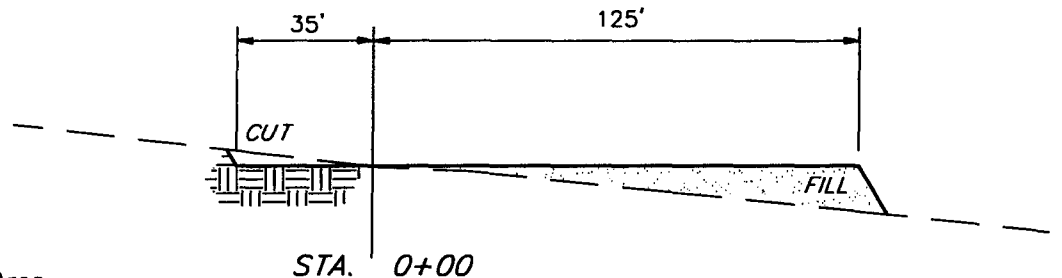
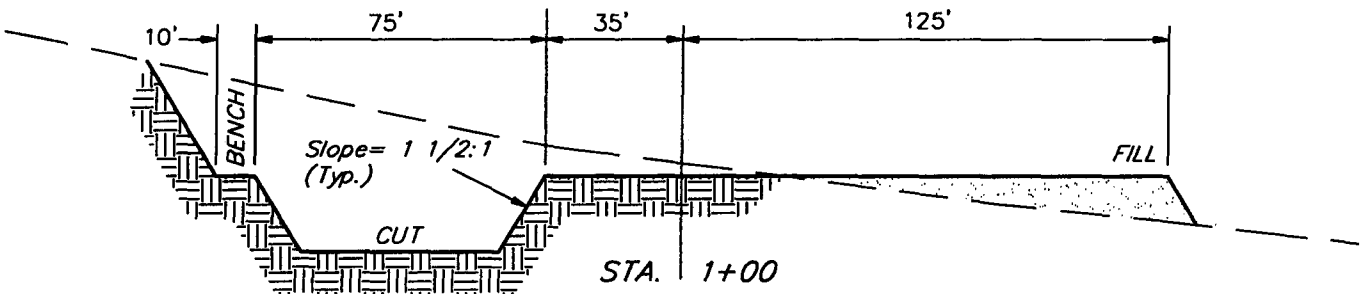
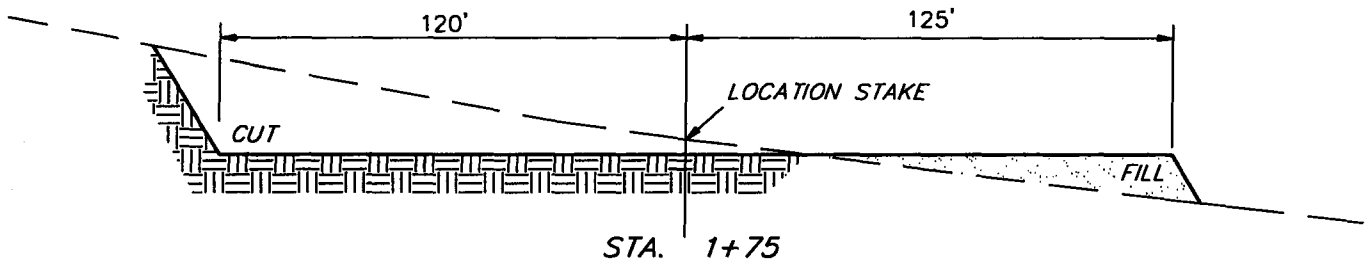
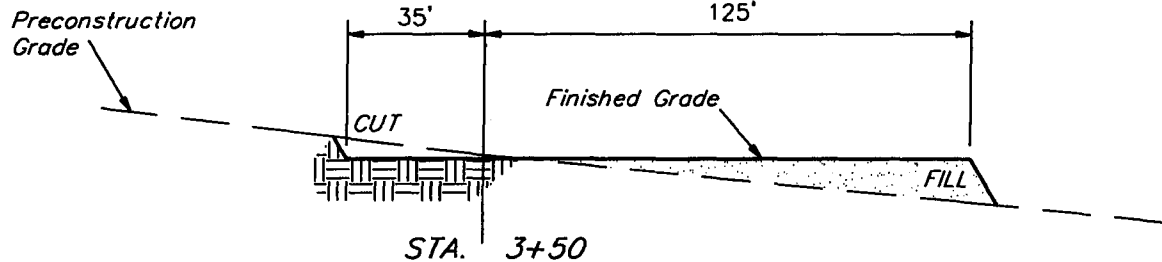
JACK CANYON UNIT FEDERAL #15-19-12-16

SECTION 19, T12S, R16E, S.L.B.&M.

660' FSL 1980' FEL



DATE: 02-03-04
DRAWN BY: D.COX



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,230 Cu. Yds.
Remaining Location	= 5,380 Cu. Yds.
TOTAL CUT	= 6,610 CU.YDS.
FILL	= 4,320 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,060 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,060 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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BILL BARRETT CORPORATION
JACK CANYON UNIT FEDERAL #15-19-12-16
LOCATED IN CARBON COUNTY, UTAH
SECTION 19, T12S, R16E, U.S.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -



Uintah Engineering & Land Surveying

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435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

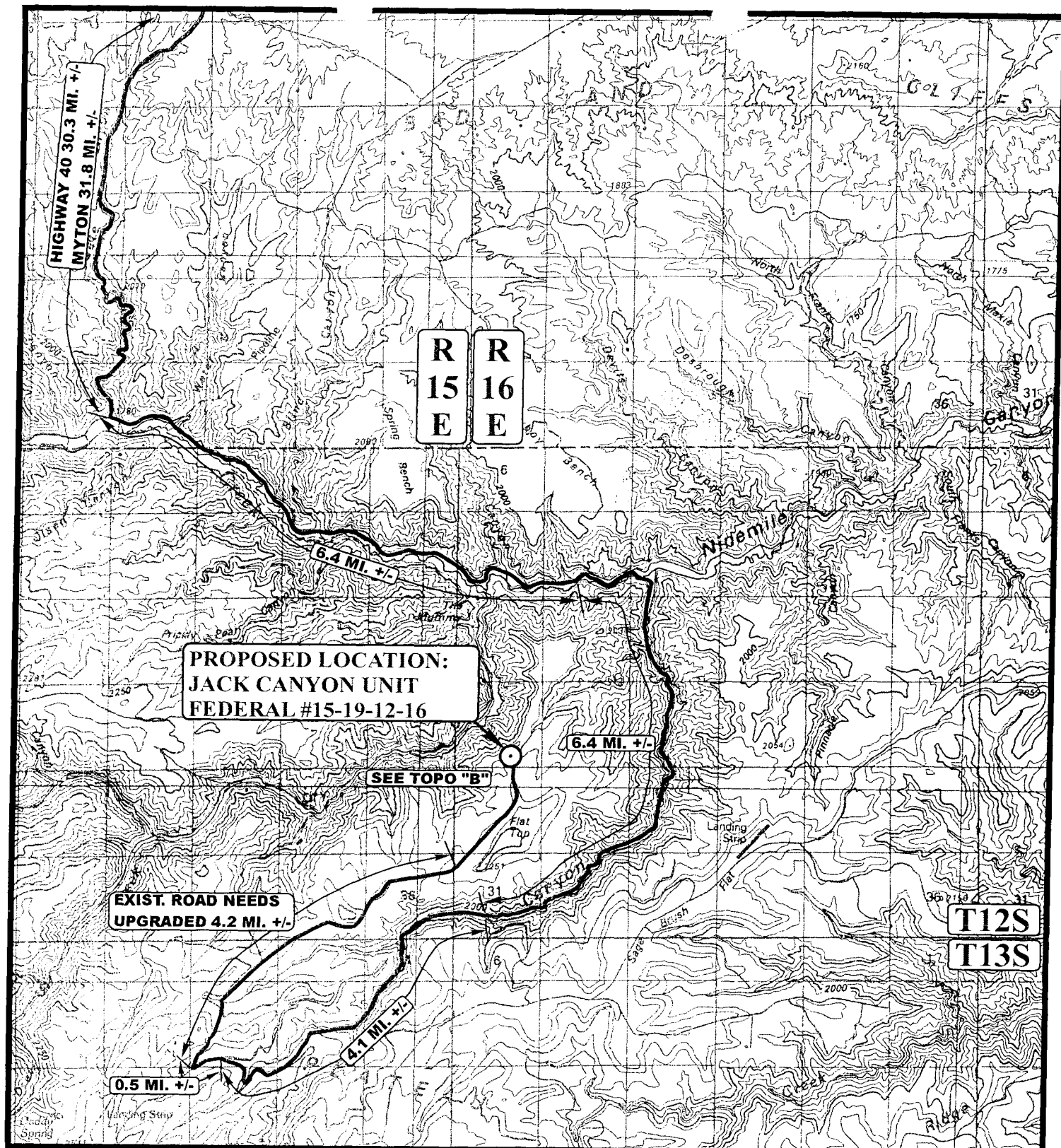
02 05 04
MONTH DAY YEAR

PHOTO

TAKEN BY: K.K.

DRAWN BY: T.H.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



BILL BARRETT CORPORATION

JACK CANYON UNIT FEDERAL #15-19-12-16

SECTION 19, T12S, R16E, S.L.B.&M.

660' FSL 1980' FEL



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(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

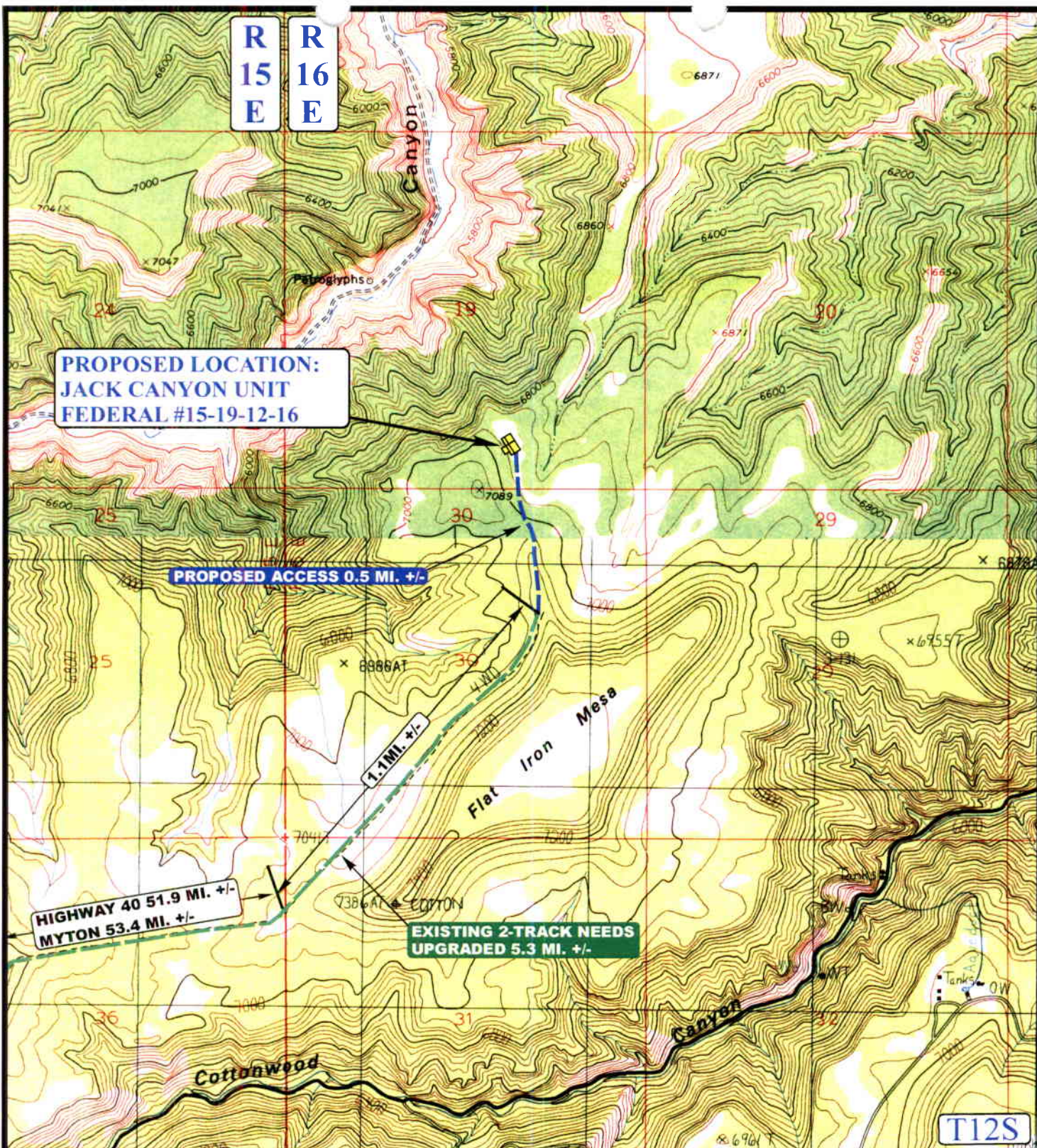
02 05 04
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: T.H.

REVISED: 00-00-00

A
TOPO



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- EXISTING 2-TRACK NEEDS UPGRADED



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BILL BARRETT CORPORATION

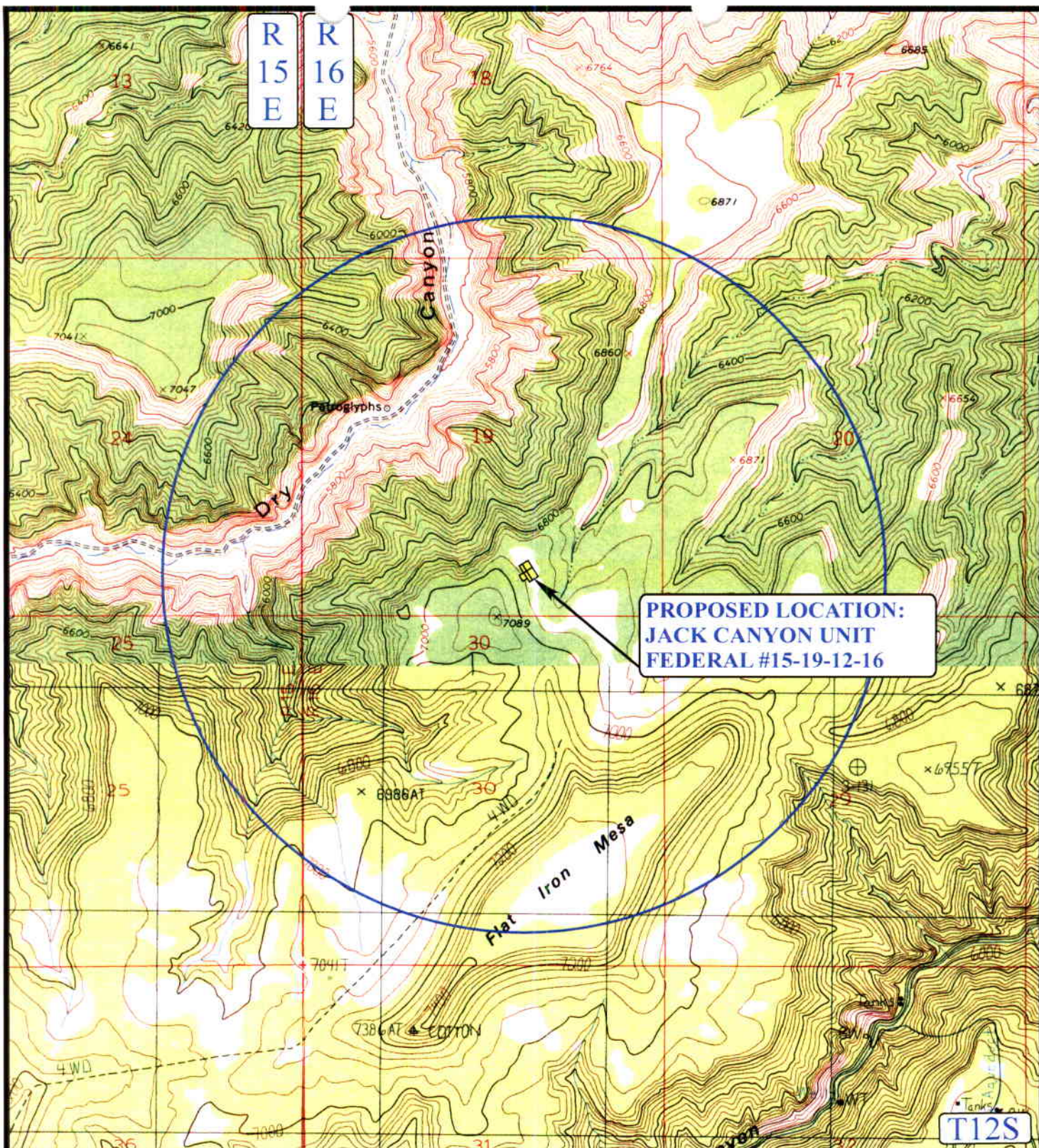
JACK CANYON UNIT FEDERAL #15-19-12-16
 SECTION 19, T12S, R16E, S.L.B.&M.
 660' FSL 1980' FEL

TOPOGRAPHIC
 MAP

02 05 04
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: T.H. REVISED: 00-00-00





LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



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BILL BARRETT CORPORATION

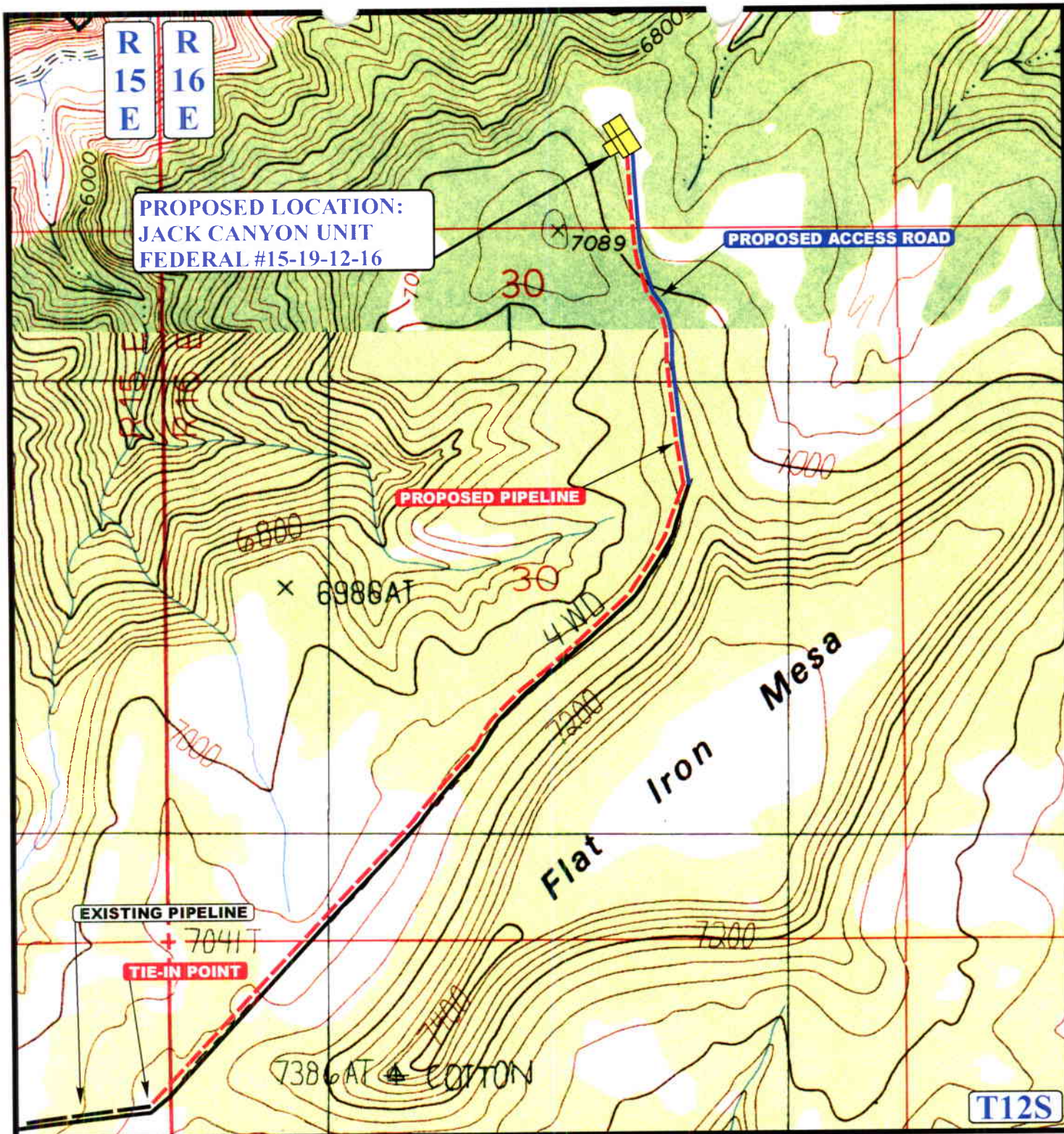
JACK CANYON UNIT FEDERAL #15-19-12-16
 SECTION 19, T12S, R16E, S.L.B.&M.
 660' FSL 1980' FEL

TOPOGRAPHIC
MAP

02 **05** **04**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: T.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 8800' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



BILL BARRETT CORPORATION

JACK CANYON UNIT FEDERAL #15-19-12-16
SECTION 19, T12S, R16E, S.L.B.&M.
660' FSL 1980' FEL



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 (435) 789-1017 * FAX (435) 789-1813

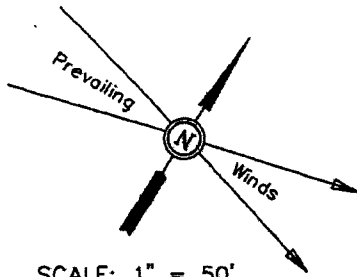
TOPOGRAPHIC MAP
 SCALE: 1" = 1000' DRAWN BY: T.H. REVISED: 00-00-00



BILL BARRETT CORPORATION

LOCATION LAYOUT FOR

JACK CANYON UNIT FEDERAL #15-19-12-16
SECTION 19, T12S, R16E, S.L.B.&M.
660' FSL 1980' FEL

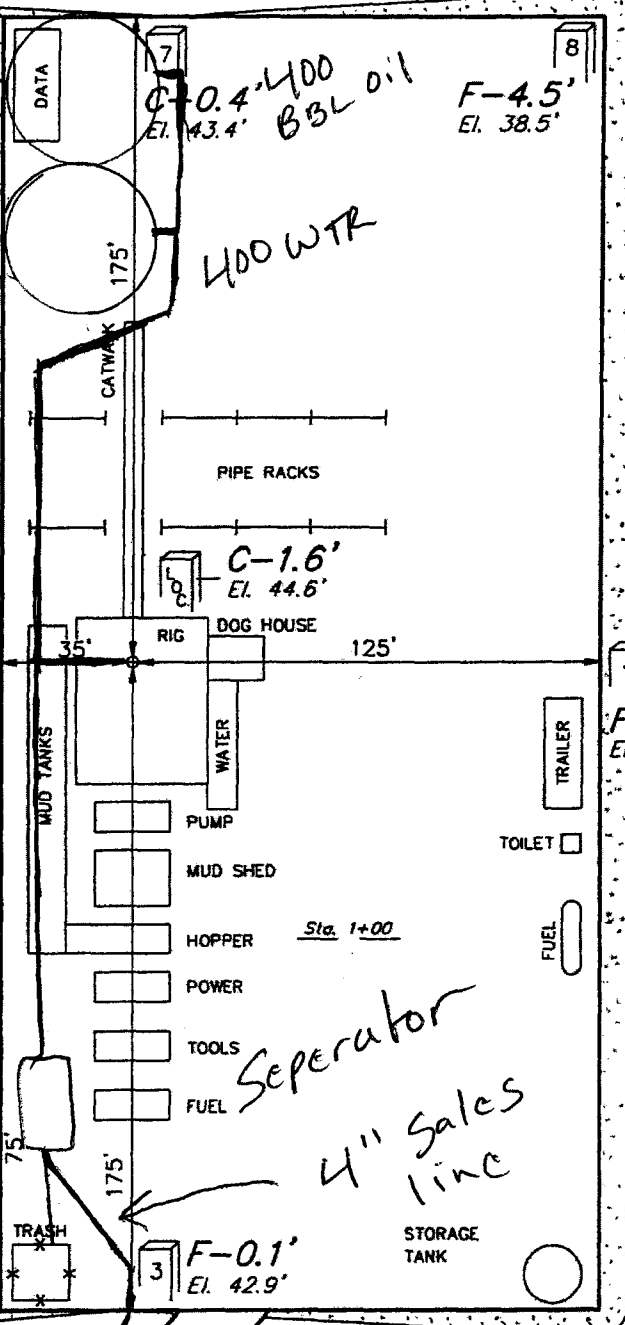


SCALE: 1" = 50'
DATE: 02-03-04
DRAWN BY: D.COX

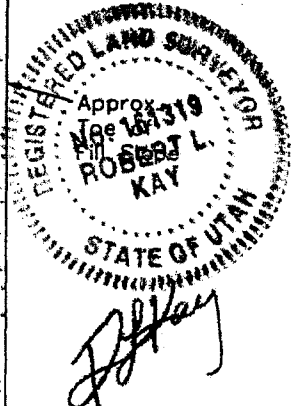
C-2.1'
El. 45.1'

Approx.
Top of
Cut Slope

Topsoil Stockpile



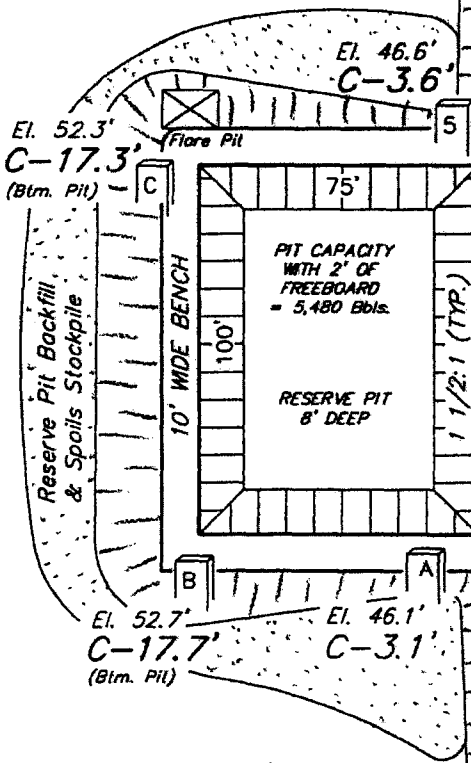
Sta. 3+50



Sta. 1+75

Sta. 0+00

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

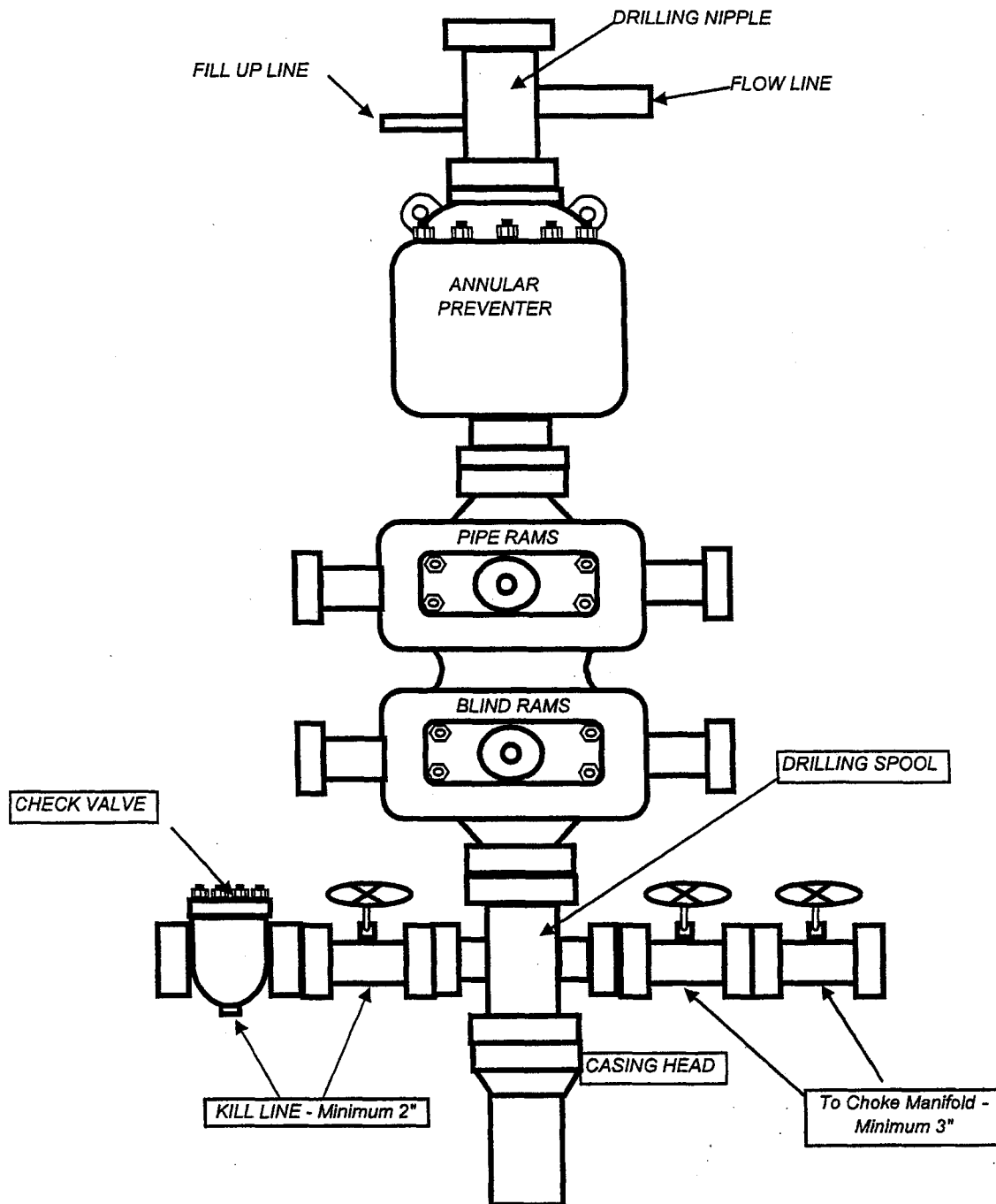


Elev. Ungraded Ground at Location Stake = 6944.6'
Elev. Graded Ground at Location Stake = 6943.0'

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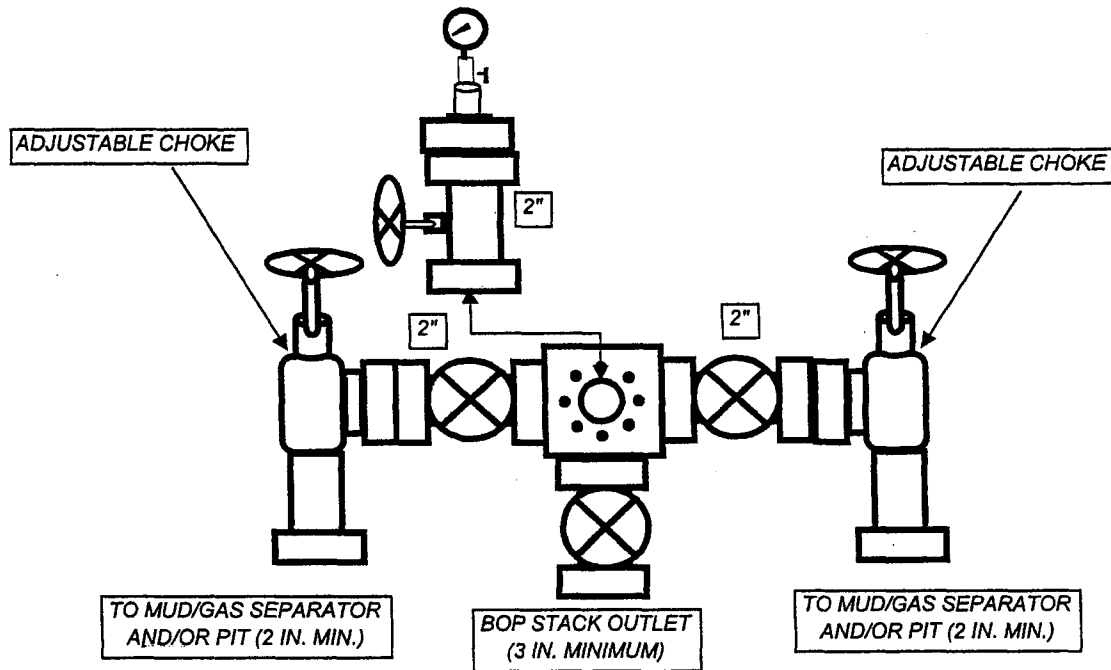
BILL BARRETT CORPORATION

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER



BILL BARRETT CORPORATION

TYPICAL 3,000 p.s.i. CHOKE MANIFOLD



TEN POINT PLAN

BILL BARRETT CORPORATION

JACK CANYON UNIT FEDERAL 15-19-12-16

Surface location: SW/4 SE/4, 660' FSL 1980' FEL, Section 19, T. 12 S., R. 16 E., .S.L.B.&M.
Carbon County, Utah

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Green River	surface
Wasatch	2298'*
North Horn	4080'*
Price River	5730'*
Base of Upper PR	5960'
TD	8500'

*PROSPECTIVE PAY

4 Casing Program

HOLE <u>SIZE</u>	SETTING DEPTH <u>from</u>	<u>to</u>	SIZE	WEIGHT	GRADE	THREAD	CONDITION
12-1/4"	surface	1,000'	9-5/8"	36#	J or K 55	ST&C	New
7-7/8"	surface	8,500'	5-1/2"	17#	N-80	LT&C	New

5 Cementing Program

9-5/8" Surface Casing	approximately 240 sx Halliburton Light Premium with additives mixed at 12.7 ppg (yield = 1.85 ft ³ /sx) and 180 sx Premium cement with additives mixed at 15.8 ppg (yield = 1.16 ft ³ /sx) circulated to surface with 100% excess
5-1/2" Production Casing	approximately 1095 sx 50/50 Poz Premium cement with additives mixed at 13.4 ppg (yield = 1.49 ft ³ /sx). Top of cement to be determined by log and sample evaluation; estimated TOC 2500'.

Bill Barrett Corporation
Drilling Program
Jack Canyon Unit Federal 15-19-12-16
Carbon County, Utah
Page Two

6. Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
0 – 40'	8.3 – 8.6	27-40	--	Native Spud Mud
40 – 1000'	8.3 – 8.6	27-40	15 cc or less	Native/Gel/Lime
1000 – TD	8.6 – 9.5	38-46	15 cc or less	LSND/DAP

Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kick" will be available at wellsite.

7. BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
0 - 1000'	No Pressure Control Required
1000 – TD	11" 3000# Ram Type BOP 11" 3000# Annular BOP

Drilling spool to accommodate choke and kill lines.
Ancillary and choke manifold to be rated at 3000 psi.

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 3000#.
ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
OF ONSHORE ORDER NO. 2.

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING WILL BE
NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8. Auxiliary equipment

- a) Upper kelly cock; lower Kelly cock will be installed while drilling
- b) Inside BOP or stab-in valve (available on rig floor)
- c) Safety valve(s) and subs to fit all string connections in use
- d) Mud monitoring will be visually observed

9. Testing, Logging and Core Programs

Cores	None anticipated
Testing	None anticipated; drill stem tests may be run on shows of interest
Sampling	30' to 50' samples; surface casing to TD Preserve samples all show intervals
Surveys	Run every 1000' and on trips
Logging Program	DIL-GR-SP, FDC-CNL-GR-CALIPER-Pe-Microlog, Sonic-GR all TD to surface

Bill Barrett Corporation
Drilling Program
Jack Canyon Unit Federal 15-19-12-16
Carbon County, Utah
Page Three

10. Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated.

Maximum anticipated bottom hole pressure equals approximately 4,199 psi* and maximum anticipated surface pressure equals approximately 2,329 psi** (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

*Max Mud Wt x 0.052 x TD = A (bottom hole pressure)

**Maximum surface pressure = A - (0.22 x TD)

11. Drilling Schedule

Spud:	Approximately September 15, 2004
Duration:	25 days drilling time
	35 days completion time

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/06/2004

API NO. ASSIGNED: 43-007-30984

WELL NAME: JACK CYN U FED 15-19-12-16

OPERATOR: BILL BARRETT CORP (N2165)

CONTACT: DEBRA STANBERRY

PHONE NUMBER: 303-312-8120

PROPOSED LOCATION:

SWSE 19 120S 160E

SURFACE: 0660 FSL 1980 FEL

BOTTOM: 0660 FSL 1980 FEL

CARBON

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 65486

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.75392

LONGITUDE: 110.16378

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000040)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit
(No. 90-1542)☒ RDCC Review (Y/N)
(Date:)☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit JACKS CANYON ☒

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 157-02

Eff Date: 5-29-01

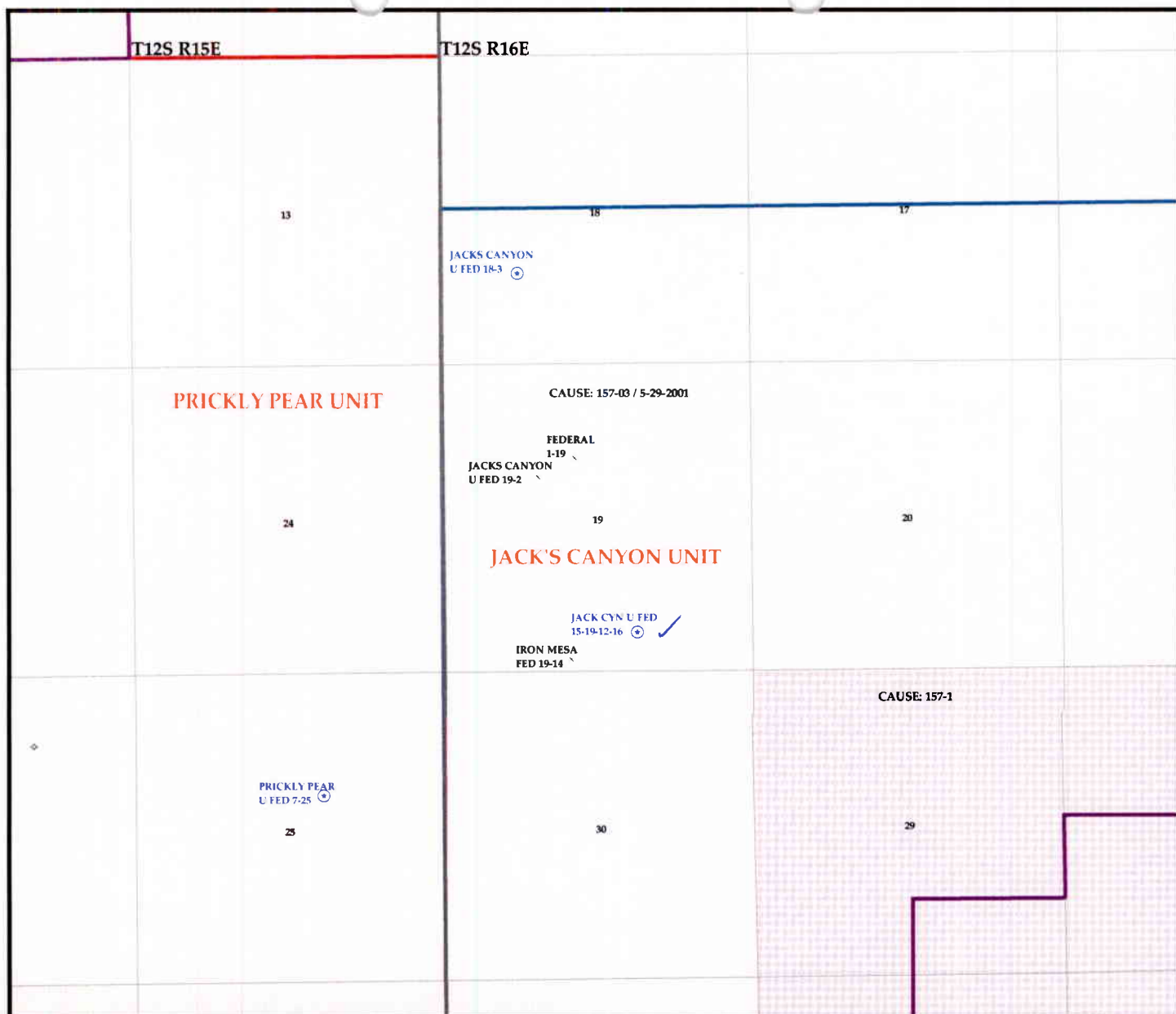
Siting: *Supersedes General Siting*

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Leasing Approved



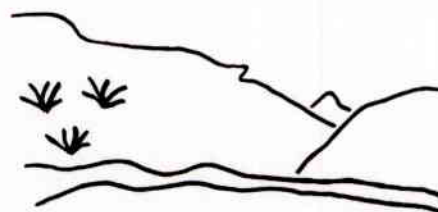
OPERATOR: BILL BARRETT CORP (N2165)

SEC. 19 T.12S R.16E

FIELD: WILDCAT (001)

COUNTY: CARBON

CAUSE: 157-03 / 5-29-2001



Utah Oil Gas and Mining

Wells

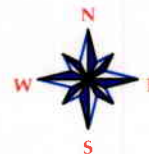
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 8-JULY-2004



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

July 14, 2004

Bill Barrett Corporation
1099 18th St., Suite 2300
Denver, CO 80202

Re: Jack Canyon Unit Federal 15-19-12-16 Well, 660' FSL, 1980' FEL, SW SE,
Sec. 19, T. 12 South, R. 16 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30984.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

Operator: Bill Barrett Corporation
Well Name & Number Jack Canyon Unit Federal 15-19-12-16
API Number: 43-007-30984
Lease: UTU-65486

Location: SW SE **Sec.** 19 **T.** 12 South **R.** 16 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

005

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

RECEIVED
MOAB FIELD OFFICE

5. Lease Serial No.
UTU 65486

2004 JUL -6 P 1:1

6. If Indian, Allottee or Tribe Name
n/a

DEPT OF THE INTERIOR
BUREAU OF LAND MGM

1a. Type of work: ☒ DRILL

☐ REENTER

1b. Type of Well:

☐ Oil Well

☒ Gas Well

☐ Other

☒ Single Zone

☐ Multiple Zone

2. Name of Operator

BILL BARRETT CORPORATION

7. If Unit or CA Agreement, Name and No.
JACK CANYON UNIT

8. Lease Name and Well No.

Jack Canyon Unit Fed #15-19-12-16

9. API Well No.

pending 4300730984

3a. Address 1099 18th Street, Suite 2300 Denver CO 80202

3b. Phone No. (include area code)
(303) 312-8120

10. Field and Pool, or Exploratory
Jack Canyon Unit/Mesaverde

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

SW/4 SE/4 660' FSL x 1980' FEL

At proposed prod. zone same

11. Sec., T. R. M. or Blk. and Survey or Area

Section 19-T12S-R16E S.L.B.&M.

14. Distance in miles and direction from nearest town or post office*
approximately 40 miles northeast of Wellington, Utah

12. County or Parish
Carbon

13. State
UT

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) 660'

16. No. of acres in lease
1955.22

17. Spacing Unit dedicated to this well
160 acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. n/a

19. Proposed Depth
8500'

20. BLM/BIA Bond No. on file
Nationwide Bond #WYB000040

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6945' ungraded ground

22. Approximate date work will start*
09/15/2004

23. Estimated duration
60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the
authorized officer.

25. Signature

Name (Printed/Typed)

Date

Debra K. Stanberry

07/02/2004

Title

Permit Specialist

Approved by (Signature)

Eric C. Jones

Name (Printed/Typed)

Date OCT 28 2004

Title

Assistant Field Manager,
Division of Resources

Office

Moab Field Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED
RECEIVED

CONFIDENTIAL

NOV 05 2004

DIV. OF OIL, GAS & MINING

T12S, R16E, S.L.B.&M.

BILL BARRETT CORPORATION

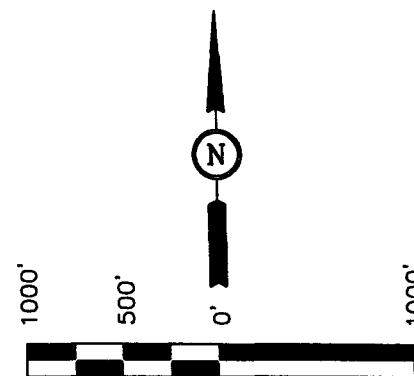
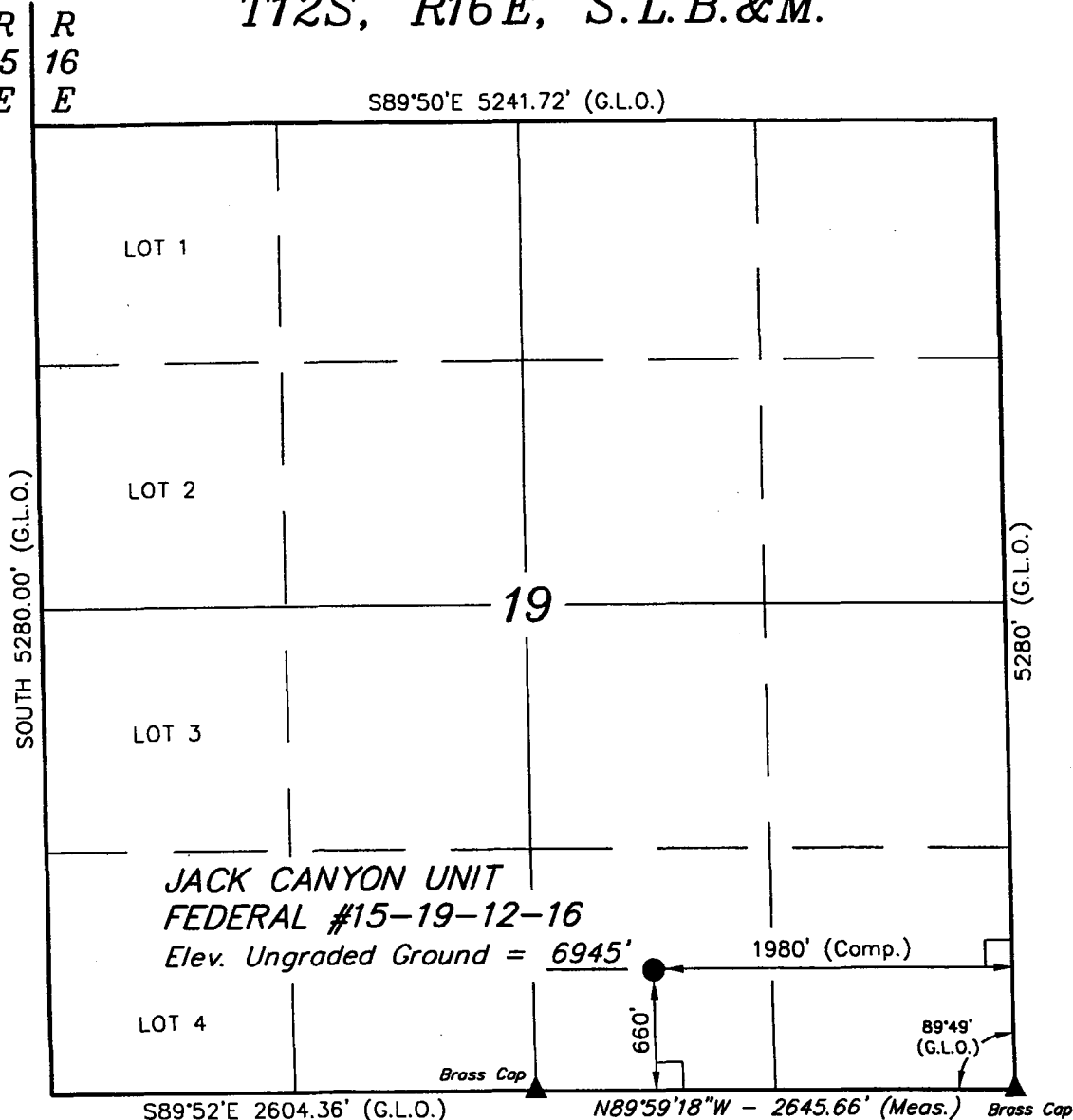
Well location, JACK CANYON UNIT FEDERAL #15-19-12-16, located as shown in the SW 1/4 SE 1/4 of Section 19, T12S, R16E, S.L.B.&M., Carbon County, Utah.

BASIS OF ELEVATION

TRIANGULATION STA. COTTON LOCATED IN THE NW 1/4 OF SECTION 31, T12S, R16E, S.L.B.&M. TAKEN FROM THE TWIN HOLLOW QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7368 FEET.

BASIS OF BEARINGS

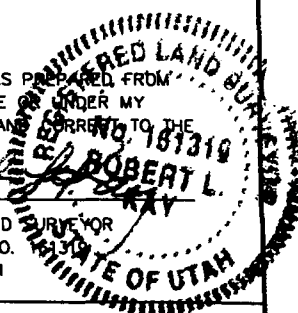
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



**SCALE
CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 181319
STATE OF UTAH



NOTE:
THE PROPOSED WELL HEAD BEARS N45°11'23"E 935.96'
FROM THE SOUTH 1/4 CORNER OF SECTION 19, T12S,
R16E, S.L.B.&M.

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 39°45'14.21" (39.753947)
LONGITUDE = 110°09'52.10" (110.164472)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-02-04	DATE DRAWN: 02-03-04
PARTY D.K. L.M. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE BILL BARRETT CORPORATION	

Bill Barrett Corporation
Jack Canyon Unit Federal 15-19-12-16
Lease UTU-65486
Jack Canyon Unit
SW/SE Sec. 19, T12S, R16E
Carbon County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Bill Barrett Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT1262 (Principal – Bill Barrett Corporation) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 3M BOP system (revised from the original proposal) is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. This well is in close proximity to Dry Canyon. In order to isolate the wellbore from the canyon wall, the surface casing shall be set to a depth of not less than 1400 feet. This will place the surface casing shoe below the lowest elevation within one mile of the well.
4. Locally, the Green River Formation is known to contain oil, gas, oil shale and tar sand deposits. However, the lateral occurrence, distribution and grade of the oil shale and tar sand deposits are not well defined. The operator shall pay particular attention to this section, and shall attempt to identify and describe any of these resources that may be penetrated. The operator shall note the presence of these resources in drilling reports and Well Completion Report. All oil, gas, oil shale and tar sand resources shall be isolated behind cement.
5. In order to isolate and protect known hydrocarbon resources, production casing shall be cemented into place such that the top-of-cement is:
 - 1) not less than 300 feet above the top of the Wasatch Formation, and
 - 2) not less than 100 feet above the top of the highest hydrocarbon bearing zone that is not already isolated behind the surface casing.
6. A cement bond log (CBL) or other appropriate tool for determining top-of-cement, shall be run on the production casing string.
7. If logging reveals that the cementing objectives were not met, remedial cementing will be required.

B. SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:

SM-A, Seed Mixture for Berms, Topsoil Piles, Pad Margins

SM-B, Seed Mixture for Final Reclamation (buried pipelines, abandoned pads, roads, etc.)

TMC1, Browse Hand Planting Tubeling Mixtures

Lease Stipulations, see attached Table 2.3 from EA for West Tavaputs Plateau Drilling Program.

Applicant-committed environmental protection measures, see attached Appendix B

2. The mud pit shall be determined at the time of construction. Fill from the pit would be stockpiled within a drainage control berm along the edge of the pit and adjacent edge of the well pad.
3. Archaeological site 42Cb2075 located along the access route shall be flagged with blue tape and avoided during all activities.
4. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5WA20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.
5. In areas where the soil surface shows evidence of biological soil crusts, the top uppermost (1/4-inch) of undisturbed biological soils from adjacent an undisturbed area shall be randomly collected from small areas (approximately 12-inch squares) and cast over the reclaimed site immediately following final reclamation to the facilitate re-establishment of soil crusts. Such actions would mitigate impacts to soil crusts in the long-term, although short-term impacts would remain.
6. BBC shall provide the authorized officer with an annual report of water consumed for the entire field for drilling, completion, and dust-suppression activities. This report shall detail the amounts used and the source of the water.

7. Where appropriate use brush-hog or similar equipment to minimize impact to vegetation and enhance re-growth and revegetation potential.
8. Feather edges of disturbed area by creating a vertical transition from taller to shorter vegetation along disturbed edges. Vary width of disturbance and preserve some plant masses to create a more naturally appearing edge and thereby avoid straight, sweeping, and converging lines in the landscape.
9. Reduce overall width of surface disturbance by working with equipment on the road, and taking advantage of the access already provided by the roadway.
10. BBC shall implement an effective revegetation plan, including installation of shrubs and tubelings, thus establishing larger plants early.
11. Use rocks and downed vegetation to "break up" new textures created by disturbance and exposure of soils, and to provide "planting pockets" for the establishment of new plant materials.
12. At stream crossings keep all equipment away from edge of escarpments and stream banks thereby minimizing impacts to escarpment edge, and stabilize these edges pre-construction using vegetative or mechanical methods.
13. Refer to TMC1, Browse Hand Planting Tubeling Mixtures to easily establish fast-growing shrubs in seed mix and as tubelings.
14. To minimize the chance of undesirable plant species (especially seeds) from being carried into the WTPPA, equipment would be power-washed before being brought in.
15. Heavy equipment would not mobilize or demobilize through Nine Mile Canyon on weekends or holidays.
16. Recontour all disturbed surfaces to more natural-appearing landform, similar in topography to pre-disturbance and surrounding landscape. Prepare the soils for proper revegetation and implement best management practices for revegetation and erosion control.
17. No construction/drilling activities shall occur during the time of the year November 1 through May 15 for sage-grouse winter habitat.

18. Mule deer on crucial winter ranges shall be protected by seasonal restrictions on construction from November 1 through May 15 where federal permits are required.
19. Elk on high priority and critical winter ranges would be protected by seasonal restrictions on construction from November 1 through May 15.
20. The Mexican Spotted Owl Conservation Measures to avoid impacts:
 - a. Conduct annual surveys for nesting roosting habitat in areas proposed for construction activity within .5 miles of identified canyon habitat, based on the USFWS 2000, MSO habitat model.
 - b. Upon discovery of individuals or sightings of this species, halt construction/drilling activities and notify the authorized official.
21. The Operator shall contact the authorized BLM official for an onsite prior to the placement of long-term structures occupying the pad longer than 6 months and higher than 14 feet above the original natural grade.

GENERAL CONSTRUCTION

22. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
23. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.

24. Any archaeology/cultural resource discovered by the operator, or any person working on his behalf, on public land are to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.

Any paleontological resource discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office.

An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.

25. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
26. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
27. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
28. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture SM-A (attached).

ROAD and PIPELINE CONSTRUCTION

29. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
30. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment. Whenever dust plumes exceed 200 feet the company shall water the road to abate the dust
31. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
32. Topsoil from access roads and pipelines are to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
33. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipaters as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipaters and gravel dispersion fans may be used or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION

34. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture in appendix SM-A, attached.

35. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy dissipators and gravel-bedded dispersion fans.
35. In the event construction can't be completed prior to winter closures, measures to prevent erosion from upcoming spring snowmelt shall be taken as follows:
- a. Loose earth and debris will be removed from drainages, and flood plains.
 - b. Earth and debris shall not be stockpiled on drainage banks.
 - c. Road drainages shall be checked to ensure there are none with uncontrolled outlets.
 - 1. Be sure all ditch drainages have an outlet to prevent ponding.
 - 2. If necessary, build temporary sediment ponds to capture runoff from unreclaimed areas.
 - 3. Re-route ditches as needed to avoid channeling water through loosened soil.
36. Excess material from road blading must not be plowed into drainages. Remove excess material and deposit at approved locations.

REHABILITATION PROCEDURES

Site Preparation

37. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

38. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
39. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, and then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
40. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

41. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
42. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
43. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

44. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment.

A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

45. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. If fall seeding is not feasible, the seed mixture(s) shall be planted April 30-May 31. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent.

Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.

46. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is attached as appendix SM-B.

General

47. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

Seed Mix A'
Temporary Disturbance
(for berms, topsoil piles, pad margins)

Forbes Lbs

Yellow Sweetclover	2.0 lbs/acre
Ladak Alfalfa	2.0 lbs/acre
Cicer Milkvetch	1.0 lbs/acre
Palmer Penstemon	0.5 lbs/acre

Grasses Lbs

Crested Wheatgrass	2.0 lbs/acre
Great Basin Wildrye	2.0 lbs/acre
Intermediate Wheatgrass	2.0 lbs/acre

Total 11.5 lbs/acre

1 Seed mix A is designed for rapid establishment, soil holding ability, and nitrogen fixing capability.
C-4 EA, West Tavaputs Plateau Drilling Program

Seed Mix B
Final Reclamation
(for buried pipe lines, abandoned pads, road, etc.)

Forbes Lbs

Palmer Penstemon	0.5 lbs/acre
Golden Cryptantha	0.25 lbs/acre
Utah Sweetvetch	0.5 lbs/acre
Yellow Sweetclover ¹	2.0 lbs/acre
Lewis Flax	1.0 lbs/acre

Grasses Lbs

Indian Ricegrass	1.0 lbs/acre
Needle & Thread Grass	1.0 lbs/acre
Intermediate Wheatgrass	2.0 lbs/acre
Blue Grama	0.5 lbs/acre
Galletta	0.5 lbs/acre
Great Basin Wildrye	2.0 lbs/acre

Woody Plants Lbs

Fourwing Saltbush	2.0 lbs/acre
Winterfat	0.5 lbs/acre
Wyoming Big Sage brush	0.25 lbs/acre
Utah Serviceberry	1.0 lbs/acre
Blue Elderberry (Raw Seeds)	1.0 lbs/acre

Total 16.0 lbs/acre

1 Yellow Sweetclover is planted as a nurse crop to provide solar protection, soil binding and nitrogen fixing. It will normally be crowded out in 2 to 3 years.

TMC 1: Browse Hand Planting Tubeling Mixtures

One of the two browse species lists (checked below) are to be hand planted at the prescribed application rate and according to the following prescribed methods on areas that are undergoing long term reclamation. The would include all pipeline corridors, berm around edge of drill pads, miscellaneous disturbed areas associated with construction such as staging areas for equipment, sidecast on road cuts, along side upgraded or new roads up to and including borrow ditch and in the termination of redundant access roads being closed. This planting shall be completed in the first planting window following completion of construction and on all other disturbed areas upon final reclamation.

Planting Methods:

Planting shall be accomplished using a labor force with specific experience in landscape restoration, hand planting methods and handling and care of browse tubling and or bareroot stock plants.

Browse plants to be utilized can be bareroot stock or tubling stock plants of 1 year old age class or greater.

Browse seedling protectors will be used to provide protection from browsing ungulates for two years. Seedling protectors will be of an open mesh rigid design that will break down when exposed to sunlight and that measures a minimum of 12 inches in length and 4 inches in diameter.

Planting shall be completed in the spring (March 1-April 1) and or fall (November 1-December 1) planting windows.

Browse plants shall be stored and handled in such a manner as to maintain viability, according to the type of browse stock being used.

Planting Species and Application Rate:

Species	[] Sagebrush-Grass <u>Plants Per Acre</u>	[] Pinyon-Juniper
Wyoming Sagebrush (Gordon Creek)	100	50
Fourwing Saltbush (Utah seed source collected at or above 5,000 feet elevation)	100	50
True Mountain Mahogany (Utah seed source)	0	50
Antelope Bitterbrush (Utah seed source)	0	50
Total	200	200

Suitable Substitutions:

Utah Serviceberry	no	50
Winterfat	100	no

APPENDIX B:
APPLICANT-COMMITTED ENVIRONMENTAL PROTECTION MEASURES

1.0 INTRODUCTION

Appendix B is part of BBC's Proposed Action for the WTPDP as described in Chapter 2.0, and BBC will comply with the standards, procedures, and requirements contained in Appendix B when implementing the Alternatives unless otherwise provided for by the BLM Authorized Officer (AO). Appendix B describes standard practices utilized to mitigate adverse effects caused by surface-disturbing activities.

2.0 STANDARD PRACTICES

The following BMPs/Applicant-Committed Protection Measures (ACEPM) will be applied to all federal lands within the WTPPA by BBC to minimize impacts to the environment. Exception, modification, or waiver of a mitigation requirement may be granted if a thorough analysis by BLM determines that the resource(s) for which the measure was developed will not be impacted by the project activity. Further site-specific mitigation measures may be identified during the application for permit to drill (APD) and/or right-of-way (ROW) application review processes.

2.1 PRECONSTRUCTION PLANNING AND DESIGN MEASURES

1. BBC and/or their contractors and subcontractors will conduct all phases of project implementation, including well location, road and pipeline construction, drilling and completion operations, maintenance, reclamation, and abandonment in full compliance with all applicable federal, state, and local laws and regulations and within the guidelines specified in approved APDs and ROW permits. BBC will be held fully accountable for their contractor's and subcontractor's compliance with the requirements of the approved permit and/or plan.
2. Implementation of site-specific activities/actions will be contingent on BLM determining that the activity/action complies with the following plans:
 - Surface Use Plan and/or Plan of Development; and
 - Site-specific APD plans/reports (e.g., road and wellpad design plans, cultural clearance, special status plant species clearance, etc.).

The above plans may be prepared by the Companies for the project area or submitted incrementally with each APD, ROW application, or Sundry Notice (SN).

2.2 ROADS

1. BBC will construct roads on private surface in a safe and prudent manner to the specifications of landowners.
 2. Roads on federal surface will be constructed as described in BLM Manual 9113. Where necessary, running surfaces of the roads will be graveled if the base does not already contain sufficient aggregate.
 3. Existing roads will be used when the alignment is acceptable for the proposed use. Generally, roads will be required to follow natural contours; provide visual screening by constructing curves, etc.; and be reclaimed to BLM standards.
 4. To control or reduce sediment from roads, guidance involving proper road placement and buffer strips to stream channels, graveling, proper drainage, seasonal closure, and in some cases, redesign or closure of old roads will be developed when necessary. Construction may also be prohibited during periods when soil material is saturated, frozen, or when watershed damage is likely to occur.
 5. Available topsoil will be stripped from all road corridors prior to commencement of construction activities and will be redistributed and reseeded on backslope areas of the borrow ditch after completion of road construction activities. Borrow ditches will be reseeded in the first appropriate season after initial disturbance.
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6. On newly constructed roads and permanent roads, the placement of topsoil, seeding, and stabilization will be required on all cut and fill slopes unless conditions prohibit this (e.g., rock). No unnecessary side-casting of material (e.g., maintenance) on steep slopes will be allowed.
 7. Reclamation of abandoned roads will include requirements for reshaping, recontouring, resurfacing with topsoil, installation of water bars, and seeding on the contour. Road beds, wellpads, and other compacted areas will be ripped to a depth of 1.0 foot on 1.5 feet centers to reduce compaction prior to spreading the topsoil across the disturbed area. Stripped vegetation will be spread over the disturbance for nutrient recycling, where practical. Fertilization or fencing of these disturbances will not normally be required. Additional erosion control measures (e.g., fiber matting) and road barriers to discourage travel may be required. Graveled roads, wellpads, and other sites will be stripped of usable gravel and hauled to new construction sites prior to ripping as deemed necessary by the AO. The removal of structures such as bridges, culverts, cattleguards, and signs will usually be required.
 8. Main artery roads, regardless of the primary user, will be crowned, ditched, drained, and, if deemed appropriate by the AO, surfaced with gravel.
 9. Unnecessary topographic alterations will be mitigated by avoiding, where possible, steep slopes, rugged topography, and perennial and ephemeral/intermittent drainages, and by minimizing the area disturbed.
 10. Upon completion of construction and/or production activities, the Companies will restore, to the extent practicable, the topography to near pre-existing contours at well sites, access roads, pipelines, and other facility sites.
 11. Existing roads will be used to the maximum extent possible and upgraded as necessary.
 12. BBC will comply with existing federal, state, and county requirements and restrictions to protect road networks and the traveling public.
 13. Special arrangements will be made with the Utah Department of Transportation to transport oversize loads to the project area. Otherwise, load limits will be observed at all times to prevent damage to existing road surfaces.
 14. All development activities along approved ROWs will be restricted to areas authorized in the approved ROW.
 15. Roads and pipelines will be located adjacent to existing linear facilities wherever practical.
 16. BBC and/or their contractors will post appropriate warning signs and require project vehicles to adhere to appropriate speed limits on project-required roads, as deemed necessary by the AO.
 16. BBC will be responsible for necessary preventative and corrective road maintenance for the duration of the project. Maintenance responsibilities may include, but are not limited to, blading, gravel surfacing, cleaning ditches and drainage facilities, dust abatement, noxious weed control, or other requirements as directed by the AO.
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2.3 WELLPADS AND FACILITIES

1. In conformance with Onshore Oil and Gas Order No. 1, BBC will prepare and submit individual comprehensive drill site design plans for BLM approval. These plans will show the drill location layout over the existing topography; dimensions of the location; volumes and cross sections of cut and fill; location and dimensions of reserve pits; existing drainage patterns; and access road egress and ingress. Plans will be submitted and approved prior to initiation of construction.
2. No surface disturbance is recommended on slopes in excess of 25% unless erosion controls can be ensured and adequate revegetation is expected. Engineering proposals and revegetation and restoration plans will be required in these areas.
3. Reserve pits will be constructed to ensure protection of surface and ground water. The review to determine the need for installation of lining material will be done on a case-by-case basis and consider soil permeability, water quality, and depth to ground water.
4. Reserve pit liners will have a mullen burst strength that is equal to or exceeds 300 pounds, a puncture strength that is equal to or exceeds 160 pounds, and grab tensile strengths that are equal to or exceed 150 pounds. There will be verified test results conducted according to ASTM test standards. The liner will be totally resistant to deterioration by hydrocarbons.
5. Produced water from oil and gas operations will be disposed of in accordance with the requirements of Onshore Oil and Gas Order #7.
6. Pits will be fenced as specified in individual authorizations. Any pit containing harmful fluids will be maintained in a manner that will prevent migratory bird mortality.
7. Disturbances will be managed/reclaimed for zero runoff from the wellpad or other facility until the area is stabilized. All excavations and pits will be closed by backfilling and contouring to conform to surrounding terrain. On wellpads and other facilities, the surface use plan will include objectives for successful reclamation including soil stabilization, plant community composition, and desired vegetation density and diversity.
8. On producing wells, BBC will reduce slopes to original contours (not to exceed 3:1 slopes). Areas not used for production purposes will be backfilled and blended into the surrounding terrain, reseeded, and erosion control measures installed. Erosion control measures will be required after slope reduction. Mulching, erosion control measures, and fertilization may be required to achieve acceptable stabilization.
9. Abandoned sites will be satisfactorily rehabilitated in accordance with the approved APD.

2.4 PIPELINES

1. Pipeline construction methods and practices will be completed in such a manner so as to obtain good reclamation and the re-establishment of the native plant community.
 2. On ditches exceeding 24 inches in width, 6 to 12 inches of surface soil will be salvaged on the entire right-of-way, where practicable. When pipelines are buried, there will be at least 30 inches of backfill on top of the pipe. Backfill will not extend above the original ground level after the fill has settled. Guides for construction and water bar placement found in "Surface Operating Standards for Oil and
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Gas Exploration and Development" (BLM and USFS 1989) will be followed. Bladed surface materials will be re-spread upon the cleared route once construction is completed. Disturbed areas that have been reclaimed will be fenced when the route is near livestock watering areas at the discretion of the AO.

3. Pipeline ROWs will be located to minimize soil disturbance to the greatest extent practicable. Mitigation will include locating pipeline ROWs adjacent to access roads to minimize ROW disturbance widths, or routing pipeline ROWs directly to minimize disturbance lengths.
4. Existing crowned and ditched roads will be used for access where possible to minimize surface disturbances. Clearing of pipeline ROWs will be accomplished with the least degree of disturbance to topsoil. Where topsoil removal is necessary, it will be stockpiled (windrowed) and re-spread over the disturbed area after construction and backfilling are completed. Vegetation removed from the ROW will also be re-spread to provide protection, nutrient recycling, and a seed source.
5. Temporary disturbances which do not require major excavation (e.g., small pipelines) may be stripped of vegetation to ground level using mechanical treatment, leaving topsoil intact and root masses relatively undisturbed.
6. To promote soil stability, backfill over the trench will be compacted so as not to extend above the original ground level after the fill has settled. Wheel or other methods of compacting the pipeline trench backfill will occur at two levels to reduce trench settling and water channeling--once after 3 feet of fill has been replaced and once within 6-12 inches of the surface. Water bars, mulching, and terracing will be installed, as needed, to minimize erosion. Instream protection structures (e.g., drop structures) in drainages crossed by a pipeline will be installed at the discretion of the AO to prevent erosion.
7. BBC will adhere to the following procedures regarding the installation of pipelines during periods when the earth is frozen.
 - The BLM Price Field Office will be contacted at least 10 days prior to anticipated start of project. The project will not proceed until such time as authorization from BLM has been received by the Companies.
 - A BLM representative will be on the ground at the beginning of construction.
 - Snow, if present, will be removed utilizing a motor grader.
 - Vegetation will be scalped and windrowed to one side of the right-of-way.
 - A wheel trencher will be used to remove approximately 6-8 inches of topsoil from the top of the pipeline ditch and windrow it to one side.
 - A trench approximately 4 feet deep will be dug using a wheel trencher and the soil will be stockpiled to one side, making sure the top soil or spoil do not get mixed together.
 - The pipeline will be installed, the trench backfilled, and the spoil compacted in the trench.
 - Stockpiled topsoil will be placed in the trench and compacted.
 - Scalped vegetation back will be placed back on right-of-way using a motor grader.
 - The entire right-of-way will be reseeded as normal in the spring after the thaw.

These procedures will be incorporated in every Plan of Development where construction in frozen earth is anticipated.

2.5 AIR QUALITY

1. BBC will comply with all applicable local, state, and federal air quality laws, statutes, regulations, standards, and implementation plans.
2. BBC will obtain all necessary air quality permits from UDAQ to construct, test, and operate facilities.
3. All internal combustion equipment will be kept in good working order.
4. The Companies will use water at construction sites, as necessary, to abate fugitive dust.
5. The Companies will not allow any open burning of garbage or refuse at well sites or other facilities.

2.6 VEGETATION

1. Removal and disturbance of vegetation will be kept to a minimum through construction site management (e.g., using previously disturbed areas and existing easements, limiting equipment/materials storage yard and staging area size, etc.).
2. Wellpads and associated roads and pipelines will be located to avoid or minimize impacts in areas of high value (e.g., sensitive species habitats, wetland/riparian areas).

2.7 SOILS

1. Surface-disturbing activities will be examined on a site-specific basis, evaluating the potential for soil loss and the compatibility of soil properties with project design. Stipulations and mitigating measures will be developed on a case-by-case basis to ensure soil conservation and practical management.
 2. BBC will restrict construction activities during periods when soils are saturated and excessive rutting (>4 inches with multiple passes) would occur.
 3. Salvage and subsequent replacement of topsoil will occur for surface-disturbing activities wherever specified by the AO.
 4. Before a surface-disturbing activity is undertaken, topsoil depth will be determined and the amount of topsoil to be removed, along with topsoil placement areas, will be specified in the authorization. The uniform distribution of topsoil over the area to be reclaimed will occur unless conditions warrant a varying depth. On large surface-disturbing projects topsoil will be stockpiled and seeded to reduce erosion. Where feasible, topsoil stockpiles will be designed to maximize surface area to reduce impacts to soil microorganisms. Areas used for spoil storage will be stripped of topsoil before spoil placement, and the replacement of topsoil after spoil removal will be required.
 5. BBC will avoid adverse impacts to soils by:
 - minimizing the area of disturbance;
 - avoiding construction with frozen soil materials to the extent practicable;
 - avoiding areas with high erosion potential (e.g., unstable soil, dunal areas, slopes greater than 25%, floodplains), where practicable;
 - salvaging and selectively handling topsoil from disturbed areas;
 - adequately protecting stockpiled topsoil and replacing it on the surface during reclamation;
 - leaving the soil intact (scalping only) during pipeline construction, where practicable;
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- using appropriate erosion and sedimentation control techniques including, but not limited to, diversion terraces, riprap, and matting;
 - promptly revegetating disturbed areas using adapted species;
 - applying temporary erosion control measures such as temporary vegetation cover, application of mulch, netting, or soil stabilizers; and/or
 - constructing barriers, as appropriate, to minimize wind and water erosion and sedimentation prior to vegetation establishment.
6. Appropriate erosion control and revegetation measures will be employed. Grading and landscaping will be used to minimize slopes, and water bars will be installed on disturbed slopes in areas with unstable soils where seeding alone may not adequately control erosion. Erosion control efforts will be monitored by the Companies and necessary modifications made to control erosion.
 7. Sufficient topsoil or other suitable material to facilitate revegetation will be segregated from subsoils during all construction operations requiring excavation and will be returned to the surface upon completion of operations. Soils compacted during construction will be ripped and tilled as necessary prior to reseeding. Cut and fill sections on all roads and along pipelines will be revegetated with native species.
 8. Any accidental soil contamination by spills of petroleum products or other hazardous materials will be cleaned up by the Companies and the soil disposed of or rehabilitated according to applicable rules.
 9. BBC will restrict off-road vehicle (ORV) activity by employees and contract workers to the immediate area of authorized activity or existing roads and trails.

2.8 RECLAMATION

1. BBC's reclamation goals will emphasize: 1) protection of existing native vegetation; 2) minimal disturbance of the existing environment; 3) soil stabilization through establishment of ground cover; and 4) establishment of native vegetation consistent with land use planning.
 2. All reclamation will be accomplished as soon as possible after the disturbance occurs with efforts continuing until a satisfactory revegetation cover is established.
 3. Seed mixtures for reclaimed areas will be site-specific, composed of native species, and will include species promoting soil stability. A pre-disturbance species composition list will be developed if the site includes several different plant communities. Livestock palatability and wildlife habitat needs will be given consideration during seed mix formulation. BLM Manual 1745, *Introduction, Transplant, Augmentation, and Reestablishment of Fish, Wildlife, and Plants*, and Executive Order No. 11987, *Exotic Organisms*, will be used as guidance.
 4. Interseeding, secondary seeding, or staggered seeding may be used to accomplish revegetation objectives. During rehabilitation of areas in important wildlife habitat, provision will be made for the establishment of native browse and forb species. Follow-up seeding or corrective erosion control measures will occur on areas where initial reclamation efforts are unsuccessful.
 5. Any mulch used by BBC will be weed free and free from mold, fungi, or noxious weed seeds. Mulch may include native hay, small grain straw, wood fiber, live mulch, cotton, jute, synthetic netting, and rock. Straw mulch will contain fibers long enough to facilitate crimping and provide the greatest cover.
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6. BBC will be responsible for the control of all noxious weed infestations on disturbed surfaces. Aerial application of chemicals will be prohibited within 0.25 mile of special status plant locations, and hand application will be prohibited within 500 feet. Herbicide application will be monitored by the AO.
7. Recontouring and seedbed preparation will occur immediately prior to reseeding on the unused portion of wellpads, road ROWs, and entire pipeline ROWs outside of road ROWs. In the event of uneconomical wells, BBC will initiate reclamation of the entire wellpads, access road, and adjacent disturbed habitat as soon as possible. BBC assumes the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which results in the proper reclamation of disturbed lands. BBC will monitor reclamation to determine and ensure successful establishment of vegetation. No consent to termination of any bond will be given by the AO until all the terms and conditions of the approved permit(s) have been met.
8. Proper erosion and sediment control structures and techniques will be incorporated by the Companies into the design of wellpads, roads, pipelines, and other facilities. Revegetation using a BLM-approved, locally adapted seed mixture containing native grasses, forbs, and shrubs will begin in the first appropriate season following disturbance. Vegetation removed will be replaced with plants of equal forage value and growth form using procedures that include:
 - fall reseeding (September 15 to freeze-up), where feasible;
 - spring reseeding (April 30 - May 31) if fall seeding is not feasible;
 - deep ripping of compacted soils prior to reseeding;
 - surface pitting/roughening prior to reseeding;
 - utilization of native cool season grasses, forbs, and shrubs in the seed mix;
 - interseeding shrubs into an established stand of grasses and forbs at least one year after seeding;
 - appropriate, approved weed control techniques;
 - broadcast or drill seeding, depending on site conditions; and
 - fencing of certain sensitive reclamation sites (e.g., riparian areas, steep slopes, and areas within 0.5 mile of livestock watering facilities) as determined necessary through monitoring.
9. BBC will monitor noxious weed occurrence on the project area and implement a noxious weed control program in cooperation with BLM. Weed-free certification by county extension agents will be required for grain or straw used for mulching revegetated areas.

2.9 CANDIDATE PLANTS/SPECIAL STATUS PLANTS

1. Herbicide applications will be kept at least 500 feet from known special status plant species populations or other distances deemed safe by the AO.
2. Wellpads and associated roads and pipelines will be located to avoid or minimize impacts to areas of high value (e.g., special status plant species habitats, wetland/riparian areas).

2.10 WATERSHEDS

1. Crossings of ephemeral, intermittent, and perennial streams associated with road and utility line construction will generally be restricted until normal flows are established after spring runoff.

2.11 GEOLOGICAL/PALEONTOLOGICAL RESOURCES

1. Wells, pipelines, and ancillary facilities will be designed and constructed such that they will not be damaged by moderate earthquakes. Any facilities defined as critical according to the Uniform Building Code will be constructed in accordance with applicable Uniform Building Code Standards for Seismic Risk Zone 2B.
2. If paleontological resources are uncovered during surface-disturbing activities, BBC will suspend operations at the site that will further disturb such materials and immediately contact the AO, who will arrange for a determination of significance, and, if necessary, recommend a recovery or avoidance plan.

2.12 CULTURAL/HISTORICAL RESOURCES

1. BBC will follow the cultural resources and recovery plan for the project.
2. If cultural resources are located within frozen soils or sediments that preclude the possibility of adequately recording or evaluating the find, construction work will cease and the site will be protected for the duration of frozen soil conditions. Recordation, evaluation and recommendations concerning further management will be made to the AO following natural thaw. The AO will consult with the affected parties and construction work will resume once management of the threatened site has been finalized and the Notice to Proceed has been issued.
3. BBC will inform their employees, contractors and subcontractors about relevant federal regulations intended to protect archaeological and cultural resources. All personnel will be informed that collecting artifacts, including arrowheads, is a violation of federal law and that employees engaged in this activity may be subject to disciplinary action.

2.13 WATER RESOURCES

1. BBC will maintain a complete copy of the SPCC Plan at each facility if the facility is normally attended at least 8 hours per day, or at the nearest field office if the facility is not so attended (40 CFR 112.3(e)).
 2. BBC will implement and adhere to SPCC Plans in a manner such that any spill or accidental discharge of oil will be remediated. An orientation will be conducted by the Companies to ensure that project personnel are aware of the potential impacts that can result from accidental spills, as well as the appropriate recourse if a spill does occur. Where applicable and/or required by law, streams at pipeline crossings will be protected from contamination by pipeline shutoff valves or other systems capable of minimizing accidental discharge.
 3. If reserve pit leakage is detected, operations at the site will be curtailed, as directed by the BLM, until the leakage is corrected.
 4. BBC will case and cement all gas wells to protect subsurface mineral and freshwater zones. Unproductive wells and wells that have completed their intended purpose will be properly abandoned and plugged using procedures identified by BLM (federal mineral estate) and/or WOGCC (state and fee mineral estate).
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5. All water used in association with this project will be obtained from sources previously approved by the Utah State Engineer's Office.
 6. Erosion-prone or high salinity areas will be avoided where practicable. Necessary construction in these areas will be timed to avoid periods of greatest runoff.
 7. BBC will incorporate proper containment of condensate and produced water in tanks and drilling fluids in reserve pits, and will locate staging areas for storage of equipment away from drainages to prevent contaminants from entering surface waters.
 8. Prudent use of erosion control measures, including diversion terraces, riprap, matting, temporary sediment traps, and water bars will be employed by the Companies as necessary. These erosion control measures will be used as appropriate to control surface runoff generated at wellpads. The type and location of sediment control structures, including construction methods, will be described in APD and ROW plans. If necessary, BBC may treat diverted water in detention ponds prior to release to meet applicable state or federal standards.
 9. BBC will construct channel crossings by pipelines so that the pipe is buried at least 3 feet below the channel bottom.
 10. Streams/channels crossed by roads will have culverts installed at all appropriate locations as specified in the BLM Manual 9112-Bridges and Major Culverts and Manual 9113-Roads. Streams will be crossed perpendicular to flow, where possible, and all stream crossing structures will be designed to carry the 25-year discharge event or other capacities as directed by the AO.
 11. BBC will reshape disturbed channel beds to their approximate original configuration.
 12. The disposal of all hydrostatic test water will be done in conformance with BLM Onshore Oil and Gas Order No. 7. BBC will comply with state and federal regulations for water discharged into an established drainage channel. The rate of discharge will not exceed the capacity of the channel to convey the increased flow. Waters that do not meet applicable state or federal standards will be evaporated, treated, or disposed of at an approved disposal facility.
 13. BBC will prepare Storm Water Pollution Prevention Plans (SWPPPs) as required by WDEQ National Pollution Discharge Elimination System (NPDES) permit requirements on individual disturbances that exceed 5 acres in size or as required by future changes in regulations.
 14. Any disturbances to wetlands and/or waters of the U.S. will be coordinated with the COE, and 404 permits will be secured as necessary prior to disturbance.
 15. Where disturbance of wetlands, riparian areas, streams, or ephemeral/intermittent stream channels cannot be avoided, COE Section 404 permits will be obtained by BBC as required, and, in addition to applicable above-listed measures, the following measures will be applied where appropriate:
 - wetland areas will be crossed during dry conditions (i.e., late summer, fall, or dry winters);
 - streams, wetlands, and riparian areas disturbed during project construction will be restored to as near re-project conditions as practical and, if impermeable soils contributed to wetland formation, soils will be compacted to reestablish impermeability;
 - wetland topsoil will be selectively handled;
 - disturbed areas will be recontoured and BLM-approved species will be used for reclamation; and
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- reclamation activities will begin on disturbed wetlands immediately after completion of project activities.

2.14 NOISE

1. All engines required for project activities will be properly muffled and maintained in accordance with state and federal laws.

2.15 WILDLIFE, FISHERIES, AND THREATENED AND ENDANGERED (T&E) SPECIES

1. To minimize wildlife mortality due to vehicle collisions, BBC will advise project personnel regarding appropriate speed limits in the project area. Roads no longer required for operations will be reclaimed as soon as possible. Potential increases in poaching will be minimized through employee and contractor education regarding wildlife laws. If wildlife law violations are discovered, the offending employee will be subject to disciplinary action by BBC.
2. BBC will protect (e.g., fence or net) reserve, workover, and production pits potentially hazardous to prohibit wildlife access as directed by BLM.
3. BBC will utilize wildlife-proof fencing on reclaimed areas in accordance with standards specified in BLM Handbook 1741-1, *Fencing*, if it is determined that wildlife are interfering with successful reestablishment of vegetation.
4. Consultation and coordination with USFWS and UDWR will be conducted for all mitigation activities relating to raptors and T&E species and their habitats, and all permits required for movement, removal, and/or establishment of raptor nests will be obtained.
5. BBC will adhere to all survey, mitigation, and monitoring requirements identified in the Biological Assessment prepared for this project.

2.16 LIVESTOCK/GRAZING MANAGEMENT

1. BBC will reclaim nonessential areas disturbed during construction activities in the first appropriate season after well completion.
2. Nonessential areas include portions of the wellpads not needed for production operations, the borrow ditch and outslope portions of new road ROWs, entire pipeline ROWs outside of road ROWs, and all roads and associated disturbed areas at nonproductive wells.
3. BBC will repair or replace fences, cattleguards, gates, drift fences, and natural barriers to current BLM standards. Cattleguards will be used instead of gates for livestock control on most road ROWs. Livestock will be protected from pipeline trenches, and livestock access to existing water sources will be maintained.
4. BBC will review livestock impacts from roads or disturbance from construction and drilling activities at least annually with livestock permittees and BLM. Appropriate measures will be taken to correct any adverse impacts, should they occur.

2.17 RECREATION

1. BBC will instruct employees, contractors, and subcontractors that camp sites on federal lands or at federal recreation sites must not be occupied for more than 14 consecutive days.
2. BBC will require that employees, contractors, and subcontractors abide by all state and federal laws and regulations regarding hunting.

2.18 VISUAL RESOURCES

1. Pipeline ROWs will be located within existing ROWs whenever possible, and aboveground facilities not requiring safety coloration will be painted with appropriate nonreflective standard environmental colors (Carlsbad Canyon or Desert Brown, or other specified standard environmental colors) as determined by the AO. Topographic screening, vegetation manipulation, project scheduling, and traffic control procedures may all be employed, as practicable, to further reduce visual impacts.
2. Within VRM Class II areas, BBC will utilize existing topography to screen roads, pipeline corridors, drill rigs, wells, and production facilities from view where practicable. The Companies will paint all aboveground production facilities with appropriate colors (e.g., Carlsbad Canyon or Desert Brown) to blend with adjacent terrain, except for structures that require safety coloration in accordance with OSHA requirements.

2.19 HEALTH AND SAFETY/HAZARDOUS MATERIALS

1. BBC will utilize BLM-approved portable sanitation facilities at drill sites; place warning signs near hazardous areas and along roadways; place dumpsters at each construction site to collect and store garbage and refuse; ensure that all refuse and garbage is transported to a State-approved sanitary landfill for disposal; and institute a Hazard Communication Program for its employees and require subcontractor programs in accordance with OSHA (29 CFR 1910.1200).
 2. In accordance with 29 CFR 1910.1200, a Material Safety Data Sheet for every chemical or hazardous material brought on-site will be kept on file BBC's field offices.
 3. Chemicals and hazardous materials will be inventoried and reported by BBC in accordance with the SARA Title III (40 CFR 335). If quantities exceeding 10,000 pounds or the threshold planning quantity are to be produced or stored, BBC will submit appropriate Section 311 and 312 forms at the required times to the State and County Emergency Management Coordinators and the local fire departments.
 4. BBC will transport and/or dispose of any hazardous wastes, as defined by the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, in accordance with all applicable federal, state, and local regulations.
 5. BBC commits to the following practices regarding hazardous material containment.
 - All storage tank batteries that contain any oil, glycol, produced water, or other fluid which may constitute a hazard to public health or safety will be surrounded by a secondary means of containment for the entire contents of the largest single tank in use plus freeboard for precipitation, or to contain 110% of the capacity of the largest vessel. The appropriate containment and/or diversionary structures or equipment, including walls and floor, will contain
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any oil, glycol or produced water and shall be constructed so that any discharge from a primary containment system, such as a tank or pipe, will not drain, infiltrate, or otherwise escape to ground or surface waters before cleanup is completed.

- Treaters, dehydrators and other production facilities that have the potential to leak or spill oil, glycol, produced water, or other fluid which may constitute a hazard to public health or safety, shall be placed on or within appropriate containment and/or diversionary structure to prevent spilled or leaking fluid from reaching ground or surface waters. The appropriate containment and/or diversionary structure will be sufficiently impervious to oil, glycol, produced water, or other fluid and will be installed so that any spill or leakage will not drain, infiltrate, or otherwise escape to ground or surface waters prior to completion of cleanup.
 - Notice of any spill or leakage, as defined in BLM NTL 3A, will be immediately reported to the AO by the Companies as well as to such other federal and state officials as required by law. Oral notice will be given as soon as possible, but within no more than 24 hours, and those oral notices will be confirmed in writing within 72 hours of any such occurrence.
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Table 2.3 Lease Numbers, Oil and Gas Units, Federal ROW Requirements, and Lease Stipulations for the 12 Vertical Federal Wells Proposed by BBC.

Well Number/Location	Federal Lease Number and Stipulations	Unit Name	Federal ROW Needs
Federal Wells			
7-25	UTU-59970	Prickly Pear Unit	Lower Flat Iron Road
16-34	UTU-73671	Prickly Pear Unit	Lower Flat Iron Road
27-3	UTU-73670 ^{1,2,3}	Prickly Pear Unit	None
21-2	UTU-73670 ^{1,2,3}	Prickly Pear Unit	None
13-4	UTU-74385	Prickly Pear Unit	None
5-13	UTU-73665	Prickly Pear Unit	None
24-12	UTU-77513 ^{1,2,3}	Prickly Pear Unit	None
10-4	UTU-74386 ^{1,2,3,4}	Prickly Pear Unit	None
15-19	UTU-66801 ^{1,2,3}	Jack Canyon Unit	None
Existing Pads			
UT-10	UTU-66801 ^{1,2,3}	Peters Point Unit	None
PPH-8	UTU-66801 ^{1,2,3}	Peters Point Unit	None
PP-11	UTU-66801 ^{1,2,3}	Peters Point Unit	None
State Wells			
Section 2, T13 S, R15E	NA	Prickly Pear Unit	Lower Flat Iron Road
Section 36, T12S, R15E	NA	Prickly Pear Unit	Lower Flat Iron Road
Section 32, T12S, R16E	NA	Prickly Pear Unit	Lower Flat Iron Road
Section 2, T13S, R16E	NA	None	Peters Point Road Extension

¹ No occupancy or other surface disturbance will be allowed within 330 feet of the centerline or within the 100 year recurrence interval floodplain, whichever is greater, of the perennial streams, or within 660 feet of springs, whether flowing or not. This distance may be modified when specifically approved in writing by the authorized officer of the Bureau of Land Management.

² In order to minimize watershed damage, exploration drilling and other development activity will be allowed only during the period from May 1 to October 31. This limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation in any year may be specifically approved in writing by the authorized officer of the Bureau of Land Management.

³ Construction of access roads and drill pads on slopes in excess of 30 percent will require special design standards to minimize watershed damage. Drilling operations and any associated construction activities on slopes in excess of 50 percent may require directional drilling to prevent damage to the watershed. Exceptions to the limitations may be specifically approved in writing by the authorized officer of the Bureau of Land Management.

⁴ Raptor surveys will be required whenever surface disturbance and/or occupancy proposed in association with oil/gas exploration occur within a known nesting complex for raptors located in the NWNW Sec. 10. T12S, R14E. Field surveys will be conducted by the lessee/operator as determined by the authorized officer of the BLM. When surveys are required of the lessee/operator, the consultant hired must be found acceptable to the authorized officer prior to the field survey being conducted. Based on the result of the field survey, the authorized officer will determine appropriate buffer zones.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Price Field Office, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Don Stephens (435-636-3608) of the BLM Price Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOP equipment.

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

RECEIVED
JUN 06 2005
DIV. OF OIL, GAS & MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 65486
2. NAME OF OPERATOR: BILL BARRETT CORPORATION	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 1099 18th Street, Suite 2300 CITY Denver STATE CO ZIP 80202	7. UNIT or CA AGREEMENT NAME: Jack Canyon Unit
PHONE NUMBER: (303) 312-8168	8. WELL NAME and NUMBER: Jack Canyon Unit Federal #15-19
4. LOCATION OF WELL FOOTAGES AT SURFACE: 660' FSL, 1980' FEL	9. API NUMBER: 4300730984
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 19 12S 16E	10. FIELD AND POOL, OR WILDCAT: Peter's Point/Mesaverde

COUNTY: Carbon

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Permit Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This sundry is being submitted to request an extension on the upcoming expiring APD (expires 7/14/2005).

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 6-14-05

By: [Signature]

COPY SENT TO OPERATOR

Date: 6-15-05

Initials: CJD

NAME (PLEASE PRINT) Matt Barber TITLE Contract Permit Analyst for the Bill Barrett Corp.
SIGNATURE [Signature] DATE 6/1/2005

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

RECEIVED

JUN 06 2005

DIV. OF OIL, GAS & MINING

API: 4300730984
Well Name: Jack Canyon Unit Federal #15-19-12-16
Location: SW/4 SE/4 Sec. 19-T12S-R16E
Company Permit Issued to: Bill Barrett Corporation
Date Original Permit Issued: 7/14/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Matt Barber
Signature

6/1/2005
Date

Title: Contract Permit Analyst

Representing: Bill Barrett Corporation



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3160
(U-922)

August 15, 2005

Certified Mail - Return Receipt Requested

Bill Barrett Corporation
attn: Doug Gundry White
1099 18th Street
Suite 2300
Denver, CO 80202

4300730984
S19 T12S R16E

Re: Invalidation of Jack's Canyon Unit
Carbon County, Utah

Gentlemen:

In accordance with the Certification and Determination of the Jack's Canyon Unit Agreement, said unit agreement is hereby declared *invalid ab initio*.

The decision is based on your failure to commence drilling requirements within specified timeframes as outlined in Section 9 of the Jack's Canyon Unit Agreement.

You have the right to request a State Director Review of our decision as specified in 43 CFR 3165.3. Such request including all supporting documentation, must be filed in writing within twenty (20) business days of this notice to State Director (U-920), Bureau of Land Management, P.O. Box 45155, Salt Lake City, Utah 84145-0155. As stated in the regulations at 43 CFR 3165.3(e), a request for State Director Review does not automatically suspend the decision.

Sincerely,

/s/ Terry L. Catlin

Terry L. Catlin
Acting Chief, Branch of Fluid Minerals

RECEIVED

AUG 1 / 2005

DIV. OF OIL, GAS & MINING

bcc: DM Moab
Jack's Canyon Unit File
Mary Higgins U-942
Division of Oil, Gas, and Mining
SITLA
Agr. Sec. Chron.
Fluid Chron
Tickler (August 2005)



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

July 17, 2006

Matt Barber
Bill Barrett Corporation
1099 18TH St., Suite 2300
Denver, CO 80202

Re: APD Rescinded –Jack Canyon U Fed 15-19-12-16 Sec. 19, T. 12S R. 16E
Carbon County, Utah API No. 43-007-30984

Dear Mr. Barber:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 14, 2004. On June 14, 2005, the Division granted a one-year APD extension. On July 11, 2006, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 11, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Moab